					ST DEPARTMENT DIVISION C		URAL RESC				AME	FC NDED REPO	RM 3	
		AP	PLICATION	FOR PERI	MIT TO DRILL					1. WELL NAME	and NUMBER Three Rivers I	Federal 34-	5-720	
2. TYPE O	F WORK	DRILL NEW WELL (REENT	ER P&A WEL	L DEEPEN	I WELL	3. FIELD OR WILDCAT WILDCAT							
4. TYPE O	F WELL				thane Well: NO		5. UNIT or COMMUNITIZATION AGREEMENT NAME						ЛE	
6. NAME (OF OPERATOR			A ENERGY LL				7. OPERATOR PHONE 720 746-5200						
8. ADDRE	SS OF OPERAT				ver, CO, 80202					9. OPERATOR	E-MAIL	iaenergy.co	m	
	AL LEASE NUM ., INDIAN, OR S	BER		11. N	MINERAL OWNERS	SHIP DIAN (STATE () FEE	ATTEN TO SERVICE	12. SURFACE O		STATE	_	EE (a)
13. NAME		OWNER (if box 12 =		nd Darla J. B	Rusch		~	_		14. SURFACE		E (if box 12 23-8003	-	
15. ADDR	ESS OF SURFA	CE OWNER (if box	12 = 'fee')							16. SURFACE			! = 'fee')	
1293 South Vernal Ave, Vernal, UT 84078 17. INDIAN ALLOTTEE OR TRIBE NAME WILDIAN MULTIPLE FORMATIONS 19. SLANT MULTIPLE FORMATIONS														
(if box 12 = 'INDIAN') YES (Submit Commingling Application) NO (II) VERTICAL DIRECTIONAL (II) HORIZONTAL												TAL 🔵		
20. LOCATION OF WELL FOOTAGES QTR-QTR SECTION TOWNSHIP RANGE MERIDIAN														
LOCATIO	N AT SURFACE			232 FSL 21	I1 FWL	SW	vsw	3	34	7.0 S		20.0 E		S
Top of U	ppermost Prod	ucing Zone		528 FSL 46	60 FWL	SV	VSW	3	34	7.0 S		20.0 E		S
At Total	Depth			528 FSL 460 FWL SW			vsw	3	34 7.0 S			20.0 E S		
21. COUN	TY	UINTAH		22. D	DISTANCE TO NEA	AREST LEA 21		eet)		23. NUMBER O	F ACRES IN D	RILLING UN 40	IT	
					DISTANCE TO NEA		leted)	POOL		26. PROPOSED	DEPTH MD: 8924	TVD: 889)7	
27. ELEV	ATION - GROUN	ID LEVEL		28. B	SOND NUMBER	10				29. SOURCE O			PPLICAB	LE
		4781			Hole, Casing	LPM904		rmation			49-2262 - RN	II at Green	River	
String	Hole Size	Casing Size	Length	Weight			Max Mu			Cement		Sacks	Yield	Weight
Surf	11	8.625	0 - 900	32.0	J-55 LT8	&C	8.7	-	Prem	ium Lite High	Strength	70	2.97	11.5
										Class G		115	1.16	15.8
Prod	7.875	5.5	0 - 8924	17.0	N-80 LT	&C	9.2	2	Prem	ium Lite High	Strength	570	2.31	12.0
					А	ATTACHN	MENTS							
	VER	IFY THE FOLLO	VING ARE A	TTACHED	IN ACCORDAN	NCE WITI	H THE UTA	AH OIL A	ND GAS	CONSERVAT	ION GENER	AL RULES		
w w	ELL PLAT OR M	AP PREPARED BY L	ICENSED SUF	RVEYOR OR	ENGINEER		№ сом	PLETE DR	RILLING PL	.AN				
I ✓ AF	FIDAVIT OF STA	TUS OF SURFACE	OWNER AGRE	EEMENT (IF F	FEE SURFACE)		FORM	1 5. IF OPE	ERATOR IS	OTHER THAN	THE LEASE O	WNER		
I DII	RECTIONAL SUI	RVEY PLAN (IF DIRI	ECTIONALLY	OR HORIZO	NTALLY DRILLED))	торо	GRAPHIC	CAL MAP					
NAME D	on Hamilton			TITLE Perm	nitting Agent (Buys	& Associa	ates, Inc)				PHONE 435	719-2018		
SIGNATU	RE			DATE 07/1	2/2012						EMAIL starpo	oint@etv.net		
	BER ASSIGNED 04752965(0000		APPROVAL				\	Boll	Zejll				
									Permit	Manager				

DRILLING PLAN

Axia Energy, LLC
Three Rivers Project
Three Rivers Federal #34-15-720
SWSW Sec 34 T7S R20E
Uintah County, Utah

1. ESTIMATED FORMATION TOPS

FORMATIO	N	TOP (TVD)	COMMENTS
Uinta		Surface	Gas & Degraded Oil; Possible Brackish H₂O
Green Rive	r	3,044′	Oil & Associated Gas
Lower Gree	en River*	5,045′	Oil & Associated Gas
Wasatch*		6,897′	Oil & Associated Gas
TD	8,924' (MD)	8,897' (TVD)	

NOTE: Datum, Ground Level (GL) Elevation: 4,781'; Asterisks (*) denotes target pay intervals

A) The Bureau of Land Management (BLM) will be notified within 24 hours of spudding the well. The State of Utah, Division of Oil, Gas and Mining will be notified within 24 hours of spudding the well.

2. CASING PROGRAM

CASING	HOLE SIZE	DEPTH SET (MD)	CSG SIZE	WGHT	GRD	THRD	CAPACITY (bbl/ft)
CONDUCTOR		50-75	13 3/8				
SURFACE	11	900 ±	8 %	32.0	J-55	LTC	0.0609
PRODUCTION	7 %	8,924'	5 1/2	17.0	N-80	LTC	0.0232

NOTE: All casing depth intervals are to surface unless otherwise noted.

Casing Specs

SIZE (in)	ID (in)	DRIFT DIA (in)	COLLAPSE RESISTANCE (psi)	INTERNAL YIELD (psi)	TENSILE YIELD (lbs)	JOINT STRENGTH (lbs)
8 %	7.921	7.796	2,530	3,930	503,000	417,000
5 1/2	4.892	4.767	6,280	7,740	397,000	348,000

- **A)** The Bureau of Land Management will be notified 24 hours prior to running casing, cementing, and BOPE testing
- B) As per 43 CFR 3160, Onshore Oil and Gas Order No. 2, Drilling Operations, Part B.1 h:
 - a) Prior to drilling out cement, all casing strings will be pressure tested to 0.22 psi/ft of casing length or 1500 psi, whichever is greater, but not to exceed 70% of minimum internal yield. Pressure decline must not be greater than 10% in 30 minutes.

RECEIVED: July 12, 2012

FLOAT EQUIPMENT

SURFACE (8 5/8): Float Shoe, 1 JNT Casing, Float Collar

1st 4 Joints: every joint

Centralizers: Remainder: every third joint

PRODUCTION (5 1/2): Float Shoe, 1 JNT Casing, Float Collar

Centralizers: 1st 4 Joints: every joint

Remainder: every third joint 500' into surface casing

NOTE: 5 1/2" 17# N-80 or equivalent marker collar or casing joints will be placed at the top of the Green

River and approximately 400' above the Wasatch.

3. **CEMENT PROGRAM**

CONDUCTOR (13 3/8): Ready Mix – Cement to surface

SURFACE (8 5/8): Cement Top: Surface

Lead: 70 sks, Premium Lightweight Cmt w/ additives, 11.50 ppg, 2.97

cf/sk, 50% excess

Tail: 115 sks Class G Cement w/ additives, 15.80 ppg, 1.16 cf/sk, 50%

excess

NOTE: The above volumes are based on a gauge-hole + 50% excess.

PRODUCTION (5 1/2): Cement Top – 2,700′

570 sacks – Light Premium Cement w/ additives – 12.0 ppg, 2.31

ft3/sk – 20% excess

NOTE: The above volumes are based on gauge hole + 20%

excess. Adjustments will be made and volumes will be caliper +

10%.

NOTE: The above volumes are based on a gauged-hole. Adjustments will be made based on caliper.

A) For Surface casing, if cement falls or does not circulate to surface, cement will be topped off.

B) Cement will not be placed down annulus with a 1" pipe unless BLM is contacted.

c) The Bureau of Land Management will be notified 24 hours prior to running casing and cementing.

D) As per 43 CFR 3160, Onshore Oil and Gas Order No.2, Drilling Operations, Part B:

a) All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe (minimum of 8 hours) prior to drilling out.

b) Prior to drilling out cement, casing will be pressure tested to 1500 psi. Pressure decline must not be greater than 10% (150 psi) in 30 minutes.

4. PRESSURE CONTROL EQUIPMENT

- **A)** The Bureau of Land Management will be notified 24 hours prior to all BOPE pressure tests. The State of Utah, Division of Oil, Gas and Mining will be notified 24 hours prior to all BOPE pressure tests.
- **B)** The BOPE shall be closed whenever the well is unattended.
- c) As per 43 CFR 3160, Onshore Oil and Gas Order No. 2, Drilling Operations, Part A:
 - a) All BOPE connections subjected to well pressure will be flanged, welded, or clamped.
 - b) Choke Manifold:
 - i) Tee blocks or targeted 'T's will be used and anchored to prevent slip and reduce vibration.
 - ii) Two adjustable chokes will be used in the choke manifold.
 - iii) All valves (except chokes) in kill line choke manifold and choke line will not restrict the flow.
 - iv) Pressure gauges in the well control system will be designed for drilling fluid.
- **D)** BOPE Testing:
 - a) BOPE shall be pressure tested when initially installed, whenever any seal subject to pressure testing is broken, or after repairs.
 - b) All BOP tests will be performed with a test plug in place.
 - c) BOP will be tested to full stack working pressure and annular preventer to 50% stack working pressure.

INTERVAL	BOP EQUIPMENT	<i>y</i>	_
0 - 900 ±	11" Diverter with Ro	ptating Head	
$900 \pm - TD$	3,000# Ram Double	BOP & Annular with Diverter & Rotating Head	
NOTE: Drilling spool	to accommodate choke and	kill lines.	

5. MUD PROGRAM

- **A)** Mud test will be performed at least every 24 hours and after mudding up to determine density, viscosity, gel strength, filtration, and pH.
- **B)** Gas-detecting equipment will be installed and operated in the mud-return system from top of Green River Formation to TD.
 - a) Flare line discharge will be located no less than 100 feet from the wellhead using straight or targeted 'T's and anchors.

INTERVAL	MUD WGHT	VISC	FLUID LOSS	COMMENTS
SURF - 900 ±	8.4 – 8.7 ppg	32	NC	Spud Mud
$900 \pm - TD$	8.6 – 9.2 ppg	40	NC	DAP/Gel

NOTE: Mud weight increases will be directed by hole conditions.

6. ABNORMAL CONDITIONS

- **A)** No abnormal pressures or temperatures are anticipated.
 - a) Estimated bottom hole pressure at TD will be approximately 3,852 psi (normal pressure gradient: 0.433 psi/ft).
 - b) Estimated maximum surface pressure will be approximately 1,957 psi (estimated bottom hole minus pressure of partially evacuated hole (gradient: 0.220 psi/ft)).
- **B)** No hydrogen sulfide is anticipated.

INTERVAL	CONDITION	
SURF - 900 ±	Lost Circulation Possible	
$900 \pm - TD$	Lost Circulation Possible	

7. AUXILIARY EQUIPMENT

- A) Choke Manifold
- **B)** Upper and lower kelly cock with handle available
- **C)** Stabbing valve
- **D)** Safety valve and subs to fit all string connections in use

8. SURVEY & LOGGING PROGRAMS

- A) Cores: None anticipated.
- **B)** Testing: None anticipated.
- **c)** Directional Drilling: Directional tools will be used to locate the bottom hole per the attached directional plan +/-.
- **D)** Open Hole Logs: TD to surface casing: resistivity, neutron density, gamma ray and caliper.
- **E)** Mud Logs: Computerized 2-person logging unit will catch and describe 10 foot samples from top of Green River Formation to TD; record and monitor gas shows and record drill times (normal mud logging duties).

9. HAZARDOUS MATERIALS

In accordance with Superfund Amendments and Reauthorization Act of 1986 (SARA) Title III, no chemicals subject to reporting in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities (TPQ), will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

LATITUDE = $40^{\circ}09'35.01''$ (40.159725)

LONGITUDE = 109'39'46.28" (109.662856)

LATITUDE = $40^{\circ}09'37.94''$ (40.160539)

LONGITUDE = $109^{\circ}39'43.12''$ (109.661978)

ESTABLISHED. (Not Set on Gnd.)

RECEIVED: July 12, 2012

AXIA ENERGY

WARM

AXIA ENERGY

THREE RIVERS FEDERAL #34-15-720 & #3-11-820 SECTION 34, T7S, R20E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF THIS ROAD AND STATE HIGHWAY 88 TO THE SOUTH; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 11.5 MILES TO THE JUNCTION OF THIS ROAD AND 9000 S TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 167' TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY DIRECTION APPROXIMATELY 25' TO THE PROPOSED LOCATION.

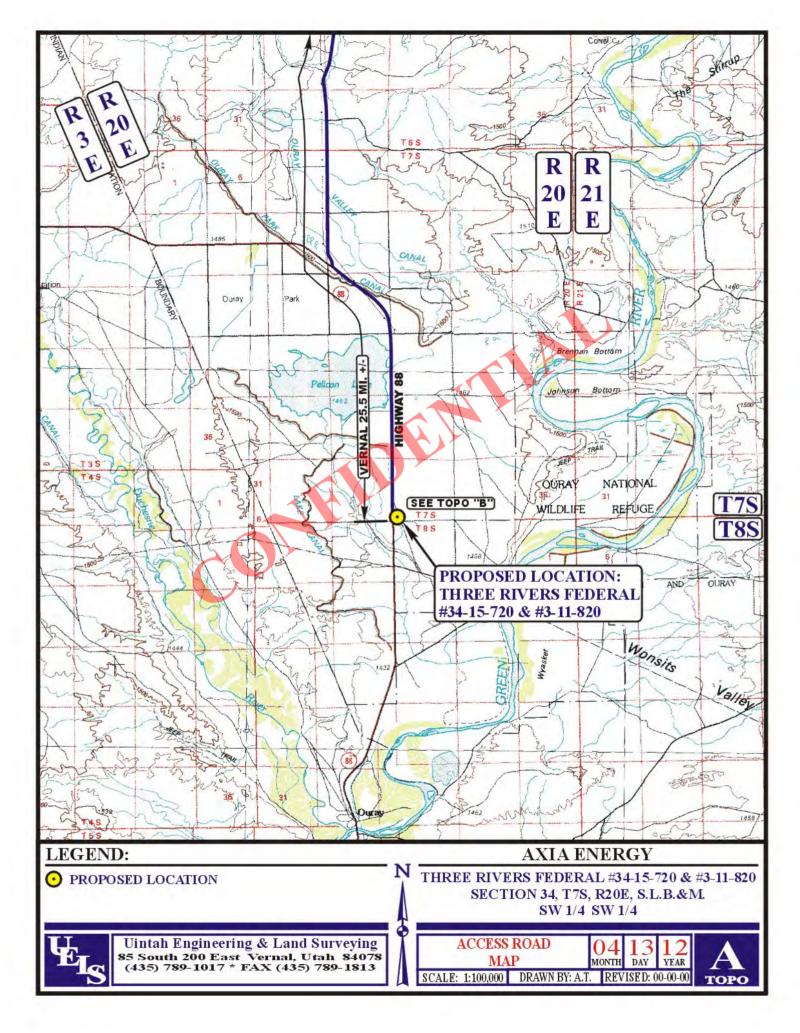
TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 25.5 MILES.

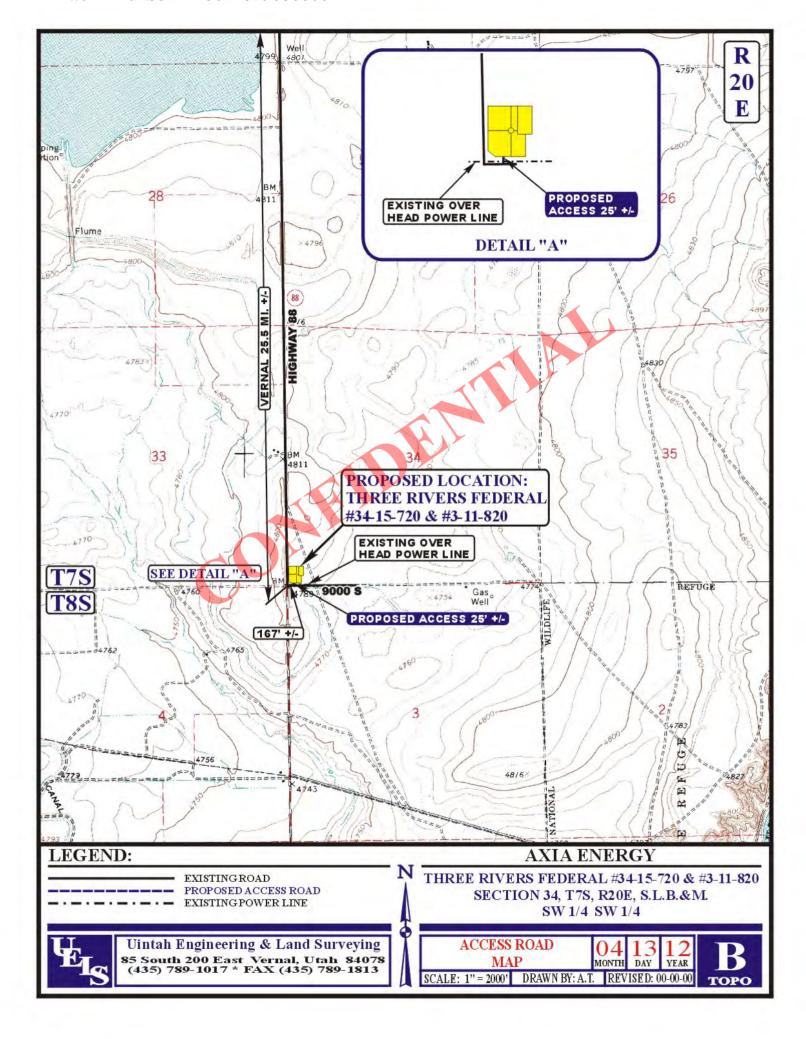
AXIA ENERGY

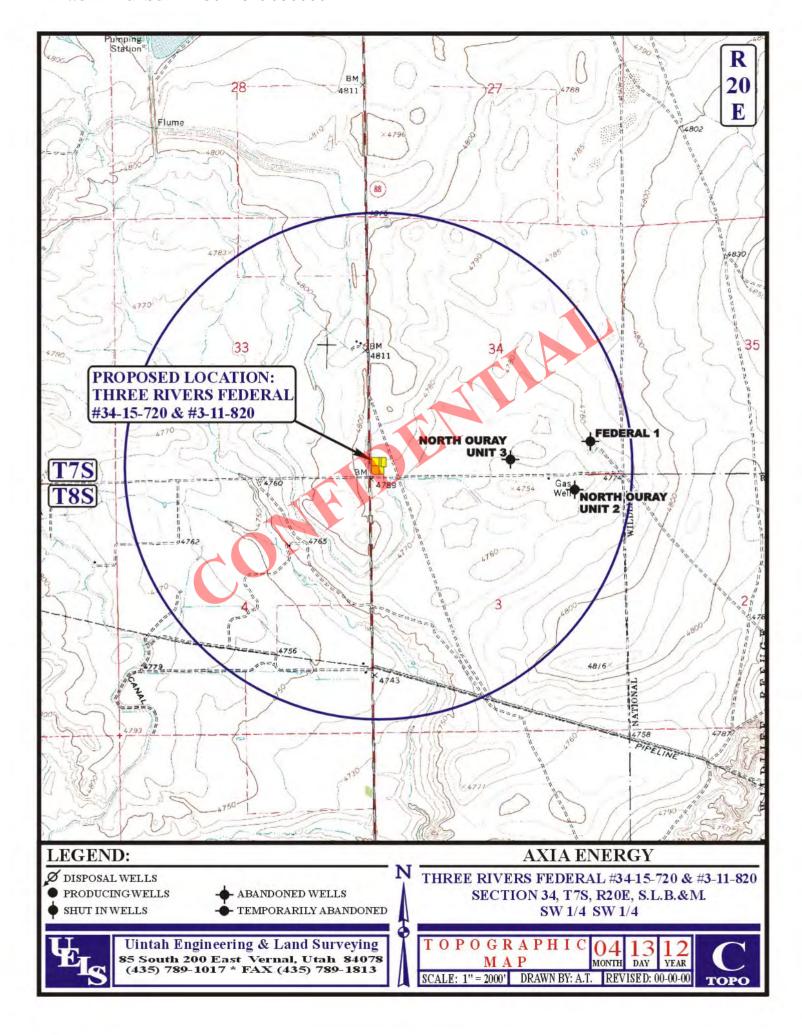
THREE RIVERS FEDERAL #34-15-720 & #3-11-820 SECTION 34, T7S, R20E, S.L.B.&M.

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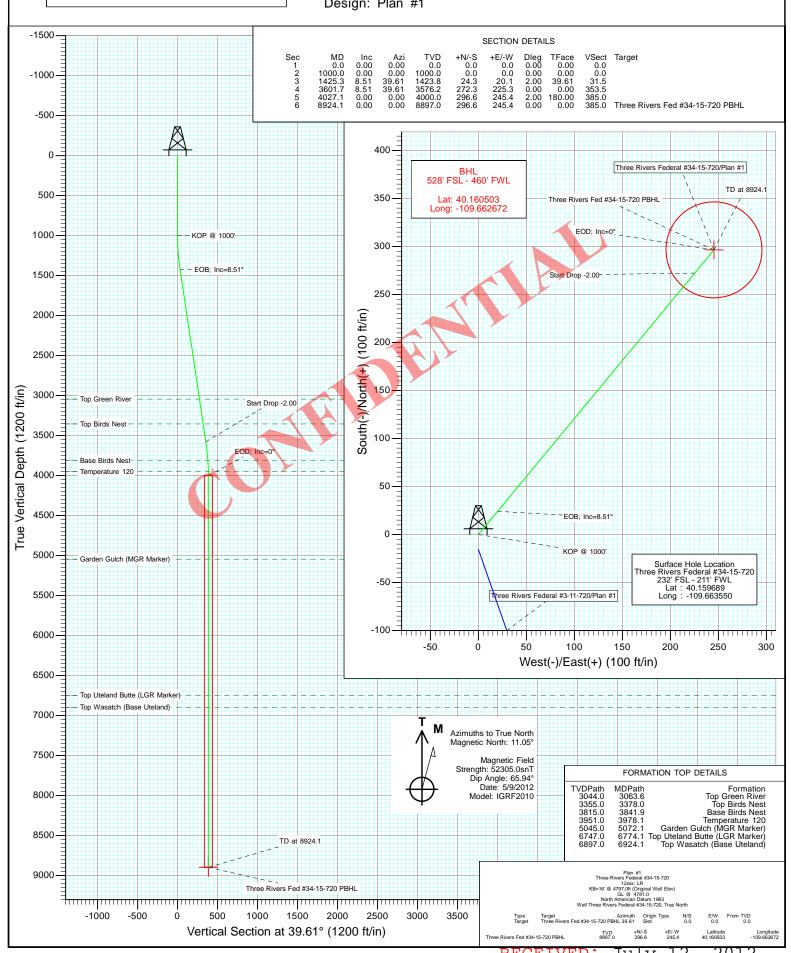
Axia Energy

Project: Uintah County, UT Site: SEC 34-T7S-R20E

Well: Three Rivers Federal #34-15-720

Wellbore: DD Design: Plan #1





Planning Report

Database: USA EDM 5000 Multi Users DB

Company: Axia Energy
Project: Uintah County, UT
Site: SEC 34-T7S-R20E

Well: Three Rivers Federal #34-15-720

Wellbore: DD
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:

North Reference: Survey Calculation Method: Well Three Rivers Federal #34-15-720

KB=16' @ 4797.0ft (Original Well Elev) KB=16' @ 4797.0ft (Original Well Elev)

40.159689

-109.663550

1.21 °

True

Minimum Curvature

Project Uintah County, UT

Map System:US State Plane 1983Geo Datum:North American Datum 1983Map Zone:Utah Northern Zone

System Datum:

Mean Sea Level

Site SEC 34-T7S-R20E

Site Position:

From:

Lat/Long

Easting:

0.0 ft

Slot Radius:

3,222,998.49 ft

2,153,757.66 ft

Longitude:

Longitude:

Longitude:

13.200 in

Grid Convergence:

Well Three Rivers Federal #34-15-720 **Well Position** +N/-S 0.0 ft Northing: 3,222,998.49 ft Latitude: 40.159689 Easting: +E/-W 0.0 ft 2,153,757.66 ft Longitude: -109.663550 0.0 ft 4,781.0 ft **Position Uncertainty** Wellhead Elevation: **Ground Level:**

 Magnetics
 Model Name
 Sample Date (°)
 Dip Angle (°)
 Field Strength (nT)

 IGRF2010
 5/9/2012
 11.05
 65.94
 52,305

Design Plan #1 **Audit Notes:** 0.0 Version: Phase: **PLAN** Tie On Depth: Vertical Section: +N/-S Depth From (TVD) +E/-W Direction (ft) (ft) (ft) (°) 0.0 0.0 0.0 39.61

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,425.3	8.51	39.61	1,423.8	24.3	20.1	2.00	2.00	0.00	39.61	
3,601.7	8.51	39.61	3,576.2	272.3	225.3	0.00	0.00	0.00	0.00	
4,027.1	0.00	0.00	4,000.0	296.6	245.4	2.00	-2.00	0.00	180.00	
8,924.1	0.00	0.00	8,897.0	296.6	245.4	0.00	0.00	0.00	0.00	Three Rivers Fed #34

Planning Report

Database: USA EDM 5000 Multi Users DB

Company: Axia Energy
Project: Uintah County, UT
Site: SEC 34-T7S-R20E

Well: Three Rivers Federal #34-15-720

Wellbore: DD Plan #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Three Rivers Federal #34-15-720 KB=16' @ 4797.0ft (Original Well Elev)

KB=16' @ 4797.0ft (Original Well Elev)

True

Minimum Curvature

nned Surve	у								
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Comments / Formations
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	
300.0 400.0	0.00 0.00	0.00 0.00	300.0 400.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00 0.00	0.00 0.00	
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	
600.0 700.0	0.00 0.00	0.00 0.00	600.0 700.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00	0.00 0.00	
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	KOP @ 1000'
1,100.0	2.00	39.61	1,100.0	1.3	1.1	1.7	2.00	2.00	
1,200.0	4.00	39.61	1,199.8	5.4	4.4	7.0	2.00	2.00	
1,300.0	6.00	39.61	1,299.5	12.1	10.0	15.7	2.00	2.00	
1,400.0	8.00	39.61	1,398.7	21.5	17.8	27.9	2.00	2.00	
1,425.3	8.51	39.61	1,423.8	24.3	20.1	31.5	2.00		EOB; Inc=8.51°
1,500.0	8.51	39.61	1,497.6	32.8	27.1	42.6	0.00	0.00	
1,600.0	8.51	39.61	1,596.5	44.2	36.6	57.4	0.00	0.00	
1,700.0 1,800.0	8.51 8.51	39.61 39.61	1,695.4 1,794.3	55.6 67.0	46.0 55.4	72.1 86.9	0.00 0.00	0.00 0.00	
1,900.0 2,000.0	8.51 8.51	39.61 39.61	1,893.2 1,992.1	78.4 89.8	64.9 74.3	101.7 116.5	0.00 0.00	0.00 0.00	
2,100.0	8.51	39.61	2,091.0	101.2	83.7	131.3	0.00	0.00	
2,200.0	8.51	39.61	2,189.9	112.6	93.2	146.1	0.00	0.00	
2,300.0	8.51	39.61	2,288.8	124.0	102.6	160.9	0.00	0.00	
2,400.0	8.51	39.61	2,387.7	135.4	112.0	175.7	0.00	0.00	
2,500.0	8.51	39.61	2,486.6	146.8	121.4	190.5	0.00	0.00	
2,600.0	8.51	39.61	2,585.5	158.1	130.9	205.3	0.00	0.00	
2,700.0	8.51	39.61 39.61	2,684.4 2,783.3	169.5 180.9	140.3	220.1 234.9	0.00	0.00 0.00	
2,800.0	8.51				149.7		0.00		
2,900.0	8.51	39.61	2,882.2	192.3	159.2	249.7	0.00	0.00	
3,000.0 3,063.6	8.51 8.51	39.61 39.61	2,981.1 3,044.0	203.7 211.0	168.6 174.6	264.4 273.9	0.00 0.00	0.00	Top Green River
3,100.0	8.51	39.61	3,080.0	211.0	174.0	273.9	0.00	0.00	10b Oleen Kivel
3,200.0	8.51	39.61	3,178.9	226.5	187.5	294.0	0.00	0.00	
3,300.0	8.51	39.61	3,277.8	237.9	196.9	308.8	0.00	0.00	
3,378.0	8.51	39.61	3,355.0	246.8	204.3	320.4	0.00	0.00	Top Birds Nest
3,400.0	8.51	39.61	3,376.7	249.3	206.3	323.6	0.00	0.00	
3,500.0	8.51	39.61	3,475.6	260.7	215.8	338.4	0.00	0.00	
3,600.0	8.51	39.61	3,574.5	272.1	225.2	353.2	0.00	0.00	
3,601.7	8.51	39.61	3,576.2	272.3	225.3	353.5	0.00		Start Drop -2.00
3,700.0	6.54	39.61	3,673.7	282.2	233.6	366.3	2.00	-2.00	
3,800.0 3,841.9	4.54 3.70	39.61 39.61	3,773.2 3,815.0	289.7 292.0	239.7 241.6	376.0 379.0	2.00 2.00	-2.00 -2.00	Base Birds Nest
3,900.0	2.54	39.61	3,873.0	292.0	243.6	382.2	2.00	-2.00	במשב בוועס ואבטנ
3,978.1	0.98	39.61	3,951.0	296.3	245.2	384.6	2.00		Temperature 120
4,000.0	0.98 0.54	39.61	3,951.0	296.3 296.5	245.2 245.4	384.8	2.00	-2.00 -2.00	remperature 120
4,027.1	0.00	0.00	4,000.0	296.6	245.4	385.0	2.00		EOD; Inc=0°
4,100.0	0.00	0.00	4,072.9	296.6	245.4	385.0	0.00	0.00	•
4,200.0	0.00	0.00	4,172.9	296.6	245.4	385.0	0.00	0.00	
4,300.0	0.00	0.00	4,272.9	296.6	245.4	385.0	0.00	0.00	
4,400.0	0.00	0.00	4,372.9	296.6	245.4	385.0	0.00	0.00	

Planning Report

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Project: Uintah County, UT
Site: SEC 34-T7S-R20E

Well: Three Rivers Federal #34-15-720

Wellbore: DD Design: Plan #1

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North Reference:

Survey Calculation Method:

Well Three Rivers Federal #34-15-720 KB=16' @ 4797.0ft (Original Well Elev)

KB=16' @ 4797.0ft (Original Well Elev)

True

Minimum Curvature

Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Build Rate	Comments / Formations
(ft)	(°)	(°)	(ft)	+N/-S (ft)	+E/-VV (ft)	(ft)	(°/100ft)	(°/100ft)	i ominationo
4,500.0	0.00	0.00	4,472.9	296.6	245.4	385.0	0.00	0.00	
4,600.0 4,700.0	0.00 0.00	0.00 0.00	4,572.9 4,672.9	296.6 296.6	245.4 245.4	385.0 385.0	0.00 0.00	0.00 0.00	
4,800.0	0.00	0.00	4,772.9	296.6	245.4	385.0	0.00	0.00	
4,900.0	0.00	0.00	4,872.9	296.6	245.4	385.0	0.00	0.00	
5,000.0	0.00	0.00	4,972.9	296.6	245.4	385.0	0.00	0.00	
5,072.1 5,100.0	0.00 0.00	0.00 0.00	5,045.0 5,072.9	296.6 296.6	245.4 245.4	385.0 385.0	0.00	0.00 0.00	Garden Gulch (MGR Marker)
5,200.0	0.00	0.00	5,172.9	296.6	245.4	385.0	0.00	0.00	
5,300.0	0.00	0.00	5,272.9	296.6	245.4	385.0	0.00	0.00	
5,400.0	0.00	0.00	5,372.9	296.6	245.4	385.0	0.00	0.00	
5,500.0 5,600.0	0.00 0.00	0.00 0.00	5,472.9 5,572.9	296.6 296.6	245.4 245.4	385.0 385.0	0.00 0.00	0.00	
5,700.0	0.00	0.00	5,672.9	296.6	245.4	385.0	0.00	0.00	
5,800.0	0.00	0.00	5,772.9	296.6	245.4	385.0	0.00	0.00	
5,900.0	0.00	0.00	5,872.9	296.6	245.4	385.0	0.00	0.00	
6,000.0	0.00	0.00	5,972.9	296.6	245.4	385.0	0.00	0.00	
6,100.0	0.00	0.00	6,072.9	296.6	245.4	385.0	0.00	0.00	
6,200.0	0.00	0.00	6,172.9	296.6	245.4	385.0	0.00	0.00	
6,300.0	0.00	0.00	6,272.9	296.6	245.4	385.0	0.00	0.00	
6,400.0	0.00	0.00	6,372.9 6,472.9	296.6	245.4	385.0	0.00	0.00	
6,500.0 6,600.0	0.00 0.00	0.00	6,572.9	296.6 296.6	245.4 245.4	385.0 385.0	0.00 0.00	0.00 0.00	
6,700.0	0.00	0.00	6,672.9	296.6	245.4	385.0	0.00	0.00	
6,774.1	0.00	0.00	6,747.0	296.6	245.4	385.0	0.00	0.00	Top Uteland Butte (LGR Marker)
6,800.0	0.00	0.00	6,772.9	296.6	245.4	385.0	0.00	0.00	
6,900.0	0.00	0.00	6,872.9	296.6	245.4	385.0	0.00	0.00	Too Monatale (Dans Hitaland)
6,924.1	0.00	0.00	6,897.0	296.6	245.4	385.0	0.00	0.00	Top Wasatch (Base Uteland)
7,000.0	0.00	0.00	6,972.9	296.6	245.4	385.0	0.00	0.00	
7,100.0 7,200.0	0.00 0.00	0.00 0.00	7,072.9 7,172.9	296.6 296.6	245.4 245.4	385.0 385.0	0.00 0.00	0.00	
7,300.0	0.00	0.00	7,273.0	296.6	245.4	385.0	0.00	0.00	
7,400.0	0.00	0.00	7,373.0	296.6	245.4	385.0	0.00	0.00	
7,500.0	0.00	0.00	7,473.0	296.6	245.4	385.0	0.00	0.00	
7,600.0	0.00	0.00	7,573.0	296.6	245.4	385.0	0.00	0.00	
7,700.0	0.00	0.00	7,673.0	296.6	245.4	385.0	0.00	0.00	
7,800.0 7,900.0	0.00 0.00	0.00 0.00	7,773.0 7,873.0	296.6 296.6	245.4 245.4	385.0 385.0	0.00 0.00	0.00	
8,000.0	0.00	0.00	7,973.0	296.6	245.4	385.0	0.00	0.00	
8,100.0	0.00	0.00	8,073.0	296.6	245.4	385.0	0.00	0.00	
8,200.0	0.00	0.00	8,173.0	296.6	245.4	385.0	0.00	0.00	
8,300.0	0.00	0.00	8,273.0	296.6	245.4	385.0	0.00	0.00	
8,400.0	0.00	0.00	8,373.0	296.6	245.4	385.0	0.00	0.00	
8,500.0	0.00	0.00	8,473.0	296.6	245.4	385.0	0.00	0.00	
8,600.0	0.00	0.00	8,573.0	296.6	245.4	385.0	0.00	0.00	
8,700.0	0.00	0.00	8,673.0	296.6	245.4	385.0	0.00	0.00	
8,800.0 8,900.0	0.00 0.00	0.00 0.00	8,773.0 8,873.0	296.6 296.6	245.4 245.4	385.0 385.0	0.00 0.00	0.00	
0,000.0	0.00	0.00	5,570.0	200.0	<u>-</u> +0.7	300.0	3.00	0.00	

Planning Report

Database: USA EDM 5000 Multi Users DB

Company: Axia Energy
Project: Uintah County, UT
Site: SEC 34-T7S-R20E

Well: Three Rivers Federal #34-15-720

Wellbore: DD Plan #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well Three Rivers Federal #34-15-720

KB=16' @ 4797.0ft (Original Well Elev) KB=16' @ 4797.0ft (Original Well Elev)

True

Minimum Curvature

Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
Three Rivers Fed #34-1! - plan hits target cen - Circle (radius 50.0)		0.00	8,897.0	296.6	245.4	3,223,300.19	2,153,996.78	40.160503	-109.662672

Formations						.	
	Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
	3,063.6	3,044.0	Top Green River				
	3,378.0	3,355.0	Top Birds Nest				
	3,841.9	3,815.0	Base Birds Nest				
	3,978.1	3,951.0	Temperature 120				
	5,072.1	5,045.0	Garden Gulch (MGR Marker)				
	6,774.1	6,747.0	Top Uteland Butte (LGR Marker)				
	6,924.1	6,897.0	Top Wasatch (Base Uteland)				

Plan Annotations	3						
,	Measured Depth (ft)	Vertical Depth (ft)	Local Coord +N/-S (ft)	dinates +E/-W (ft)	Comment		
	1,000.0	1,000.0	0.0	0.0	KOP @ 1000'		
	1,425.3	1,423.8	24.3	20.1	EOB; Inc=8.51°		
	3,601.7	3,576.2	272.3	225.3	Start Drop -2.00		
	4,027.1	4,000.0	296.6	245.4	EOD; Inc=0°		
	8,924.1	8,897.0	296.6	245.4	TD at 8924.1		

Axia Energy

Uintah County, UT SEC 34-T7S-R20E Three Rivers Federal #34-15-720 DD Plan #1

Anticollision Report

10 May, 2012

Anticollision Report

Company: Axia Energy
Project: Uintah County, UT
Reference Site: SEC 34-T7S-R20E

Site Error: 0.0

Reference Well: Three Rivers Federal #34-15-720

Well Error: 0.0ft
Reference Wellbore DD
Reference Design: Plan #1

TVD Reference: MD Reference: North Reference:

Local Co-ordinate Reference:

Well Three Rivers Federal #34-15-720 KB=16' @ 4797.0ft (Original Well Elev) KB=16' @ 4797.0ft (Original Well Elev)

True

Survey Calculation Method: Minimum Curvature

Output errors are at 2.00 sigma

Database: USA EDM 5000 Multi Users DB

Offset TVD Reference: Offset Datum

Reference Plan #1

Filter type: GLOBAL FILTER APPLIED: All wellpaths within 200'+ 100/1000 of reference

Interpolation Method: MD Interval 100.0ft Error Model: ISCWSA

 Depth Range:
 Unlimited
 Scan Method:
 Closest Approach 3D

 Results Limited by:
 Maximum center-center distance of 1,092.4ft
 Error Surface:
 Elliptical Conic

 Warning Levels Evaluated at:
 2.00 Sigma

 Survey Tool Program
 Date
 5/10/2012

 From (ft)
 To (ft)
 Survey (Wellbore)
 Tool Name
 Description

 0.0
 8,924.1 Plan #1 (DD)
 MWD
 Geolink MWD

Summary Reference Offset Distance Measured Measured Between Between Separation Warning Site Name Centres Ellipses Factor Depth Depth Offset Well - Wellbore - Design (ft) (ft) (ft) (ft) SEC 34-T7S-R20E Three Rivers Federal #3-11-720 - DD - Plan #1 1,000.0 1,000.0 15.3 11.9 4.458 CC, ES, SF

Anticollision Report

Company: Axia Energy Project: Uintah County, UT Reference Site: SEC 34-T7S-R20E

Site Error:

Reference Well: Three Rivers Federal #34-15-720

Well Error: 0.0ft Reference Wellbore DD Plan #1 Reference Design:

Local Co-ordinate Reference: TVD Reference:

MD Reference: North Reference: Well Three Rivers Federal #34-15-720 KB=16' @ 4797.0ft (Original Well Elev) KB=16' @ 4797.0ft (Original Well Elev)

Survey Calculation Method: Minimum Curvature

Output errors are at 2.00 sigma

Database: USA EDM 5000 Multi Users DB

Offset TVD Reference: Offset Datum

Offset De urvey Prog	_	SEC 34											Offset Well Error:	0.0 f
Refer		Offse	et	Semi Major	Axis				Dista	nce			Oliset well Error:	0.01
easured Depth	Vertical Depth	Measured Depth	Vertical Depth	Reference	Offset	Highside Toolface		+E/-W	Between Centres	Between Ellipses	Total Uncertainty	Separation Factor	Warning	
(ft)	(ft)	(ft)	(ft)	(ft)	(ft)	(°)	(ft)	(ft)	(ft)	(ft)	Axis			
0.0 100.0	0.0 100.0	0.0 100.0	0.0 100.0	0.0 0.1	0.0 0.1	-180.00 -180.00	-15.3 -15.3	0.0	15.3 15.3	15.0	0.29	52.217		
200.0	200.0	200.0	200.0	0.1	0.1	-180.00	-15.3 -15.3	0.0	15.3	14.7	0.29	23.838		
300.0	300.0	300.0	300.0	0.5	0.5	-180.00	-15.3	0.0	15.3	14.3	0.99	15.445		
400.0	400.0	400.0	400.0	0.7	0.7	-180.00	-15.3	0.0	15.3	14.0	1.34	11.423		
500.0	500.0	500.0	500.0	0.8	0.8	-180.00	-15.3	0.0	15.3	13.6	1.69	9.062		
600.0	600.0	600.0	600.0	1.0	1.0	-180.00	-15.3	0.0	15.3	13.3	2.04	7.511		
700.0	700.0	700.0	700.0	1.2	1.2	-180.00	-15.3	0.0	15.3	12.9	2.39	6.413		
800.0 900.0	800.0 900.0	800.0 900.0	800.0 900.0	1.4 1.5	1.4 1.5	-180.00 -180.00	-15.3 -15.3	0.0	15.3 15.3	12.6 12.2	2.74 3.09	5.595 4.962		
1,000.0	1,000.0	1,000.0	1,000.0	1.5	1.5	-180.00	-15.3 -15.3	0.0	15.3	11.9	3.43		C, ES, SF	
1,000.0	1,000.0	1,000.0	1,000.0	1.7	1.7	-100.00	-10.5		10.5	11.9	3.43	4.430 0	J, EJ, JF	
1,100.0	1,100.0	1,099.4	1,099.4	1.9	1.9	142.04	-16.9	0.6	18.3	14.5	3.78	4.839		
1,200.0	1,199.8	1,198.3	1,198.1	2.1	2.1	144.79	-21.8	2.3	27.3	23.2	4.13	6.613		
1,300.0	1,299.5	1,296.1	1,295.5	2.3	2.3	146.72	-29.7	5.0	42.3	37.8	4.48	9.449		
1,400.0	1,398.7	1,392.3	1,391.0	2.5	2.5	147.81	-40.6	8.8	63.2	58.4	4.83	13.085		
1,500.0	1,497.6	1,486.6	1,484.3	2.7	2.7	148.28	-54.2	13.6	89.1	83.9	5.20	17.134		
1,600.0	1,596.5	1,579.4	1,575.5	3.0	3.0	147.88	-70.5	19.2	117.8	112.3	5.58	21.118		
1,700.0	1,695.4	1,670.5	1,664.4	3.3	3.3	147.10	-89.1	25.7	149.3	143.3	5.97	25.015		
1,800.0	1,794.3	1,759.8	1,751.0	3.5	3.6	146.17	-109.9	33.0	183.5	177.1	6.37	28.825		
1,900.0	1,893.2	1,847.2	1,834.9	3.8	4.0	145.22	-132.7	41.0	220.3	213.5	6.77	32.550		
2,000.0	1,992.1	1,932.5	1,916.1	4.1	4.4	144.29	-157.3	49.6	259.7	252.5	7.18	36.196		
					7									
2,100.0	2,091.0	2,015.7	1,9 <mark>94</mark> .6	4.4	4.9	143.40	-183.5	58.7	301.6	294.1	7.59	39.769		
2,200.0	2,189.9	2,100.0	2,073.2	4.7	5.4	142.53	-212.3	68.7	346.0	338.0	8.00	43.233		
2,300.0	2,288.8	2,179.5	2,146.4	5.0	5.9	141.75	-241.3	78.9	392.8	384.4	8.42	46.661		
2,400.0	2,387.7	2,262.6	2,222.6	5.3	6.5	141.03	-272.8	89.8	440.8	432.0	8.84	49.854		
2,500.0	2,486.6	2,350.2	2,302.9	5.5	7.0	140.42	-305.9	101.4	488.9	479.6	9.28	52.696		
2,600.0	2,585.5	2,437.8	2,383.1	5.8	7.6	139.92	-338.9	112.9	537.0	527.3	9.71	55.278		
2,700.0	2,684.4	2,525.3	2,463.4	6.1	8.2	139.50	-372.0	124.5	585.1	575.0	10.15	57.633		
2,800.0	2,783.3	2,612.9	2,543.7	6.4	8.8	139.14	-405.1	136.0	633.3	622.7	10.59	59.787		
2,900.0	2,882.2	2,700.5	2,623.9	6.8	9.5	138.84	-438.2	147.5	681.5	670.5	11.03	61.765		
3,000.0	2,981.1	2,788.1	2,704.2	7.1	10.1	138.57	-471.3	159.1	729.7	718.2	11.48	63.585		
3,100.0	3,080.0	2,875.6	2,784.4	7.4	10.7	138.34	-504.4	170.6	777.9	766.0	11.92	65.266		
3,200.0	3,178.9	2,967.8	2,868.9	7.7 8.0	11.3 12.1	138.12	-539.2	182.8 198.0	826.1 872.0	813.7 859.1	12.37 12.89	66.768 67.636		
3,300.0 3,400.0	3,277.8 3,376.7	3,091.5 3,220.4	2,983.5 3,105.1	8.3	12.1	137.95 137.91	-582.9 -623.6	212.2	914.2	900.8	13.42	68.126		
3,500.0	3,475.6	3,354.3	3,233.2	8.6	13.5	138.00	-660.2	225.0	952.4	938.4	13.42	68.266		
5,500.0	5,470.0	5,004.0	0,200.2	0.0	10.0	.50.00	000.2		552.7	300.4	10.00	33.200		
3,600.0	3,574.5	3,492.9	3,367.6	8.9	14.1	138.21	-692.2	236.2	986.3	971.8	14.49	68.083		
3,700.0	3,673.6	3,636.4	3,508.3	9.2	14.7	138.81	-718.8	245.4	1,014.6	999.6	15.07	67.325		
3,800.0	3,773.2	3,784.4	3,654.7	9.4	15.1	139.24	-739.2	252.5	1,035.7	1,020.1	15.61	66.362		
3,900.0	3,873.0	3,935.7	3,805.3	9.6	15.4	139.51	-752.7	257.2	1,049.4	1,033.3	16.09	65.232		
4,000.0	3,972.9	4,089.0	3,958.4	9.7	15.5	139.63	-758.6	259.3	1,055.3	1,038.8	16.51	63.934		
4,100.0	4,072.9	4,203.5	4,072.9	9.8	15.6	179.24	-758.9	259.4	1,055.6	1,038.8	16.83	62.718		
4,200.0	4,072.9	4,203.5	4,072.9	9.6	15.6	179.24	-758.9 -758.9	259.4	1,055.6	1,038.5	17.13	61.619		
4,300.0	4,172.9	4,403.5	4,172.9	10.1	15.7	179.24	-758.9	259.4	1,055.6	1,038.2	17.13	60.551		
4,400.0	4,372.9	4,503.5	4,372.9	10.2	15.9	179.24	-758.9	259.4	1,055.6	1,037.9	17.74	59.514		
4,500.0	4,472.9	4,603.5	4,472.9	10.3	16.0	179.24	-758.9	259.4	1,055.6	1,037.6	18.04	58.506		
		* -				-			, .					
4,600.0	4,572.9	4,703.5	4,572.9	10.5	16.1	179.24	-758.9	259.4	1,055.6	1,037.3	18.35	57.527		
4,700.0	4,672.9	4,803.5	4,672.9	10.6	16.2	179.24	-758.9	259.4	1,055.6	1,036.9	18.66	56.575		
4,800.0	4,772.9	4,903.5	4,772.9	10.7	16.2	179.24	-758.9	259.4	1,055.6	1,036.6	18.97	55.651		
4,900.0	4,872.9	5,003.5	4,872.9	10.9	16.3	179.24	-758.9	259.4	1,055.6	1,036.3	19.28	54.752		
5,000.0	4,972.9	5,103.5	4,972.9	11.0	16.4	179.24	-758.9	259.4	1,055.6	1,036.0	19.59	53.879		

Anticollision Report

Company: Axia Energy
Project: Uintah County, UT
Reference Site: SEC 34-T7S-R20E

Site Error: 0.0ft

Reference Well: Three Rivers Federal #34-15-720

Well Error: 0.0ft
Reference Wellbore DD
Reference Design: Plan #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Well Three Rivers Federal #34-15-720 KB=16' @ 4797.0ft (Original Well Elev) KB=16' @ 4797.0ft (Original Well Elev)

True

Survey Calculation Method: Minimum Curvature

Output errors are at

2.00 sigma

Database: USA EDM 5000 Multi Users DB

Offset TVD Reference: Offset Datum

Offset Design SEC 34-T7S-R20E - Three Rivers Federal #3-11-720 - DD - Plan #1							Offset Site Error:	0.0 ft						
Survey Program: 0-MWD									Offset Well Error:	0.0 ft				
	Reference		et	Semi Major					Dista					
Measured	Vertical	Measured	Vertical	Reference	Offset	Highside	Offset Wellbor		Between	Between	Total	Separation	Warning	
Depth (ft)	Depth (ft)	Depth (ft)	Depth (ft)	(ft)	(ft)	Toolface (°)	+N/-S (ft)	+E/-W (ft)	Centres (ft)	Ellipses (ft)	Uncertainty Axis	Factor		
5,200.0	5,172.9	5,303.5	5,172.9	11.3	16.6	179.24	-758.9	259.4	1,055.6	1,035.4	20.22	52.204		
5,300.0	5,272.9	5,403.5	5,272.9	11.4	16.7	179.24	-758.9	259.4	1,055.6	1,035.1	20.54	51.400		
5,400.0	5,372.9	5,503.5	5,372.9	11.6	16.8	179.24	-758.9	259.4	1,055.6	1,034.8	20.85	50.619		
5,500.0	5,472.9	5,603.5	5,472.9	11.7	16.9	179.24	-758.9	259.4	1,055.6	1,034.4		49.858		
5,600.0	5,572.9	5,703.5	5,572.9	11.9	17.0	179.24	-758.9	259.4	1,055.6	1,034.1	21.49	49.118		
5,700.0	5,672.9	5,803.5	5,672.9	12.0	17.1	179.24	-758.9	259.4	1,055.6	1,033.8	21.81	48.398		
5,800.0	5,772.9	5,903.5	5,772.9	12.1	17.2	179.24	-758.9	259.4	1,055.6	1,033.5	22.13	47.696		
5,900.0	5,872.9	6,003.5	5,872.9	12.3	17.3	179.24	-758.9	259.4	1,055.6	1,033.2	22.45	47.013		
6,000.0	5,972.9	6,103.5	5,972.9	12.4	17.4	179.24	-758.9	259.4	1,055.6	1,032.8	22.78	46.347		
6,100.0	6,072.9	6,203.5	6,072.9	12.6	17.5	179.24	-758.9	259.4	1,055.6	1,032.5	23.10	45.698		
6,200.0	6,172.9	6,303.5	6,172.9	12.7	17.7	179.24	-758.9	259.4	1,055.6	1,032.2	23.42	45.066		
								1 1						
6,300.0	6,272.9	6,403.5	6,272.9	12.9	17.8	179.24	-758.9	259.4	1,055.6	1,031.9	23.75	44.450		
6,400.0	6,372.9	6,503.5	6,372.9	13.0	17.9	179.24	-758.9	259.4	1,055.6	1,031.5	24.07	43.849		
6,500.0	6,472.9	6,603.5	6,472.9	13.2	18.0	179.24	-758.9	259.4	1,055.6	1,031.2	24.40	43.263		
6,600.0	6,572.9	6,703.5	6,572.9	13.3	18.1	179.24	-758.9	259.4	1,055.6	1,030.9	24.73	42.692		
6,700.0	6,672.9	6,803.5	6,672.9	13.5	18.2	179,24	-758.9	259.4	1,055.6	1,030.6	25.05	42.134		
6,800.0	6,772.9	6,903.5	6,772.9	13.6	18.3	179.24	-758.9	259.4	1,055.6	1,030.2	25.38	41.590		
6,900.0	6,872.9	7,003.5	6,872.9	13.8	18.4	179.24	-758.9	259.4	1,055.6	1,030.2	25.71	41.058		
7,000.0	6,972.9	7,003.5	6,972.9	13.9	18.6	179.24	-758.9	259.4	1,055.6	1,029.9	26.04	40.540		
7,000.0	7,072.9	7,103.5	7,072.9	14.1	18.7	179.24	-758.9	259.4	1,055.6	1,029.0	26.37	40.033		
7,100.0	7,172.9	7,303.5	7,172.9	14.2	18.8	179.24	-758.9	259.4	1,055.6	1,028.9	26.70	39.538		
7,200.0	7,172.0	7,000.0	7,172.0	1	10.0	170.24	700.0	200.4	1,000.0	1,020.0	20.70	00.000		
7,300.0	7,272.9	7,403.5	7,2 <mark>72</mark> .9	14.4	18.9	179.24	-758.9	259.4	1,055.6	1,028.6	27.03	39.055		
7,400.0	7,372.9	7,503.5	7,372.9	14.5	19.0	179.24	-758.9	259.4	1,055.6	1,028.2	27.36	38.582		
7,500.0	7,472.9	7,603.5	7,472.9	14.7	19.1	179.24	-758.9	259.4	1,055.6	1,027.9	27.69	38.121		
7,600.0	7,572.9	7,703.5	7,572.9	14.9	19.3	179.24	-758.9	259.4	1,055.6	1,027.6	28.02	37.669		
7,700.0	7,672.9	7,803.5	7,672.9	15.0	19.4	179.24	-758.9	259.4	1,055.6	1,027.2	28.36	37.228		
7,800.0	7,772.9	7,903.5	7,772.9	15.2	19.5	179.24	-758.9	259.4	1,055.6	1,026.9	28.69	36.796		
7,900.0	7,872.9	8,003.5	7,872.9	15.3	19.6	179.24	-758.9	259.4	1,055.6	1,026.6	29.02	36.374		
8,000.0	7,972.9	8,103.5	7,972.9	15.5	19.8	179.24	-758.9	259.4	1,055.6	1,026.3	29.35	35.961		
8,100.0	8,072.9	8,203.5	8,072.9	15.6	19.9	179.24	-758.9	259.4	1,055.6	1,025.9	29.69	35.557		
8,200.0	8,172.9	8,303.5	8,172.9	15.8	20.0	179.24	-758.9	259.4	1,055.6	1,025.6	30.02	35.161		
8,300.0	8,272.9	8,403.5	8,272.9	16.0	20.1	179.24	-758.9	259.4	1,055.6	1,025.2	30.36	34.774		
8,400.0	8,372.9	8,503.5	8,372.9	16.1	20.1	179.24	-758.9	259.4	1,055.6	1,023.2	30.69	34.774		
8,500.0	8,472.9	8,603.5	8,472.9	16.3	20.3	179.24	-758.9	259.4	1,055.6	1,024.9	31.03	34.023		
8,600.0	8,572.9	8,703.5	8,572.9	16.4	20.4	179.24	-758.9	259.4	1,055.6	1,024.0	31.36	33.659		
8,700.0	8,672.9	8,803.5	8,672.9	16.6	20.7	179.24	-758.9	259.4	1,055.6	1,024.2	31.70	33.303		
0,700.0	0,012.0	0,000.0	0,012.0	13.0	20.1	175.24	700.9	200.4	1,000.0	1,020.0	51.70	00.000		
8,800.0	8,772.9	8,903.5	8,772.9	16.7	20.8	179.24	-758.9	259.4	1,055.6	1,023.6	32.03	32.954		
8,860.3	8,833.3	8,963.8	8,833.3	16.8	20.9	179.24	-758.9	259.4	1,055.6	1,023.4	32.24	32.746		
8,900.0	8,872.9	8,987.6	8,857.0	16.9	20.9	179.24	-758.9	259.4	1,055.7	1,023.4	32.34	32.642		
8,924.1	8,897.0	8,987.6	8,857.0	16.9	20.9	179.24	-758.9	259.4	1,056.4	1,024.0	32.38	32.621		

Anticollision Report

Company: Axia Energy Project: Uintah County, UT Reference Site: SEC 34-T7S-R20E

Site Error:

Three Rivers Federal #34-15-720 Reference Well:

Well Error: 0.0ft Reference Wellbore DD

Reference Design: Plan #1 Local Co-ordinate Reference:

Well Three Rivers Federal #34-15-720 TVD Reference: KB=16' @ 4797.0ft (Original Well Elev) MD Reference: KB=16' @ 4797.0ft (Original Well Elev)

North Reference:

Survey Calculation Method: Minimum Curvature 2.00 sigma Output errors are at

USA EDM 5000 Multi Users DB Database:

Offset TVD Reference: Offset Datum

Reference Depths are relative to KB=16' @ 4797.0ft (Original Well Elev

Offset Depths are relative to Offset Datum

Central Meridian is -111.500000°

Coordinates are relative to: Three Rivers Federal #34-15-720 Coordinate System is US State Plane 1983, Utah Northern Zone

Grid Convergence at Surface is: 1.21°



SURFACE USE AGREEMENT AND GRANT OF EASEMENTS.

THIS SURFACE USE AGREEMENT AND GRANT OF EASEMENTS ("Agreement") is effective the 22nd day of May, 2012, by and between, John Busch whose address is 1293 South Vernal Ave, Vernal, UT 84078 ("Owner") and Axia Energy, LLC, whose address is 1430 Larimer Street, Suite 400, Denver, CO 80202 ("Operator").

RECITALS

Owner owns the surface of the real property in Uintah County, Utah (the "Property"), roughly described as:

Property Address:

9871 S. Highway 88, Leota, UT 84078

Serial #:

08:033:0012

Property Description: 80 rds S of NW corner of S/2, Section 34, T7S/R20E, SLM; E 106

2/3 rds; S 106 2/3 rds, W 106 2/3 rds, N 80 rds to beg (53 1/3

acres)

**See Exhibit A for map of surface or "Property" and pad/wells covered by this SUA.

Operator wishes to drill oil and gas wells ("Wells") with associated necessary pipelines on the Property and also to directionally access adjacent lands from a surface location of the Property for the extraction of oil, gas and associated hydrocarbons from said adjacent lands.

TERMS

THEREFORE, in consideration of the mutual covenants in this Agreement, and Operator's agreement to pay the damages described in this Agreement, the parties agree as follows:

Wells and Well Pads.

- Operator may construct the necessary well site pads for drilling, completion, recompletion, reworking, re-entry, production, maintenance and operation of Wells ("Well Pads") on the Property outlined within this Agreement and Exhibit A. Operator, its agents, employees, assigns, contractors and subcontractors, may enter upon and use the Well Pads for the purposes of drilling, completing, producing, maintaining, and operating Wells to produce oil, gas and associated hydrocarbons produced from the Property, or adjacent lands, including the construction and use of frac pits, tank batteries, production equipment, and other facilities used to produce and market the oil, gas and associated hydrocarbons.
 - 1.1.1. No Well Pad shall exceed five (5) acres of disturbed area, including any cuts and fills during drilling. After completion operations for the wells on the pad are finished, the size of the Well Pads shall be reduced to a maximum of two (2) acres.

- 1.1.2. As allowed by this Agreement, Operator may drill the maximum number of Wells on the Well Pad(s) permitted by Utah Oil and Gas Conservation Commission ("UOGCC") spacing and density requirements. Operator may drill directionally from Well Pads located on the Property to bottom hole locations located directly under the Property or to bottom hole locations that are adjacent to the Property.
- 1.1.3. As used in this Agreement, "Well" shall mean a well and the accompanying wellbore (either vertically or directionally drilled from the Well Pad) for the production of oil and gas, and all associated casing and wellhead equipment.
- 1.1.4. As shown in Exhibit "A", pads are to be constructed only where described.
- 1.2. As consideration for damages to be incurred by Operator on the Property, one of the below options can be selected, in writing, by the Owner prior to construction:
 - Option 1: Operator shall pay Owner for each Well Pad that is constructed on the Property with such payment to be received by Owner prior to construction commencement. In addition, prior to the commencement of drilling operations of any additional well, Operator shall pay Owner per new well that is drilled from an existing Well Pad located on the Property with a BHL underneath the property. Additional wells drilled to a bottom hole location not located directly underneath the property, Operator shall pay Owner per well. Except as otherwise provided in this Agreement, such payments shall constitute payment in full by Operator for all damages to the Property associated with the drilling, construction, completion, re-completion, reworking, reentry, production, operation and maintenance of the Well(s).
 - Option 2: Operator shall pay Owner for each Well Pad that is constructed on the Property with such payment to be received by Owner prior to construction commencement. Operator shall pay Owner an annual payment, starting from the date of first construction, of /year for non-crop land and /year for crop land until the termination of the Surface Use Agreement. In addition, prior to the commencement of drilling operations of any additional well, Operator shall pay Owner per new well that is drilled from an existing Well Pad located on the Property. Except as otherwise provided in this Agreement, such payments shall constitute payment in full by Operator for all damages to the Property associated with the drilling, construction, completion, re-completion, reworking, reentry, production, operation and maintenance of the Well(s).
- 1.3. The slope of a Well Pad to any ditch, road, or other improvement shall not be greater than 2:1.
- 1.4. All above-ground permanent structures on the Well Pad(s) and above-ground pipeline structures shall be painted with appropriate earth-tone colors to blend with the surrounding landscape, and, at the discretion of Operator, shall be screened with appropriate planting as described by the NRCS (National Resource Conservation Services) techniques guide. Operator shall use diligent efforts to minimize disturbances to existing trees and vegetation near the Well Pad.

- 1.5. Noise levels shall not exceed Utah Oil and Gas Conservation Commission ("UOGCC") regulations.
- 1.6. All drilling fluids and mud shall be handled in accordance with UOGCC regulations. No fluids, mud, soil, or other substances created or derived from operations conducted off of the Property shall be deposited on the surface estate of the Property. Nothing in this section shall limit Operator's right to bring onto the property, use, and reuse frac and production water for additional drilling and completion operations.
- 1.7. At Owner's request, during drilling operations and thereafter, the Well Pad shall be fenced with five-strand barb wire fencing affixed to steel posts spaced six (6) feet apart at a height not less than forty-eight (48) inches.
- 1.8. Any irrigation or tail water ditch or pipe located within the Well Pad shall be left intact or rerouted to a location approved by Owner so that the delivery of water on the Property is not disrupted. Operator shall be responsible for any repair and/or maintenance of any irrigation ditch or pipe located within the Well Pad.
- 1.9. No debris, slash, or other materials shall be burned on the Property (except for the flaring of gas), nor shall such materials be buried on the Property, without the express written consent of Owner, which shall not be unreasonably withheld.
- 1.10. If required by UOGCC, reserve or drilling pits used on the Property, if any, shall be plastic lined during drilling and completion operations. All plastic lining shall be removed during initial reclamation and not buried in place. Excavated material shall be replaced within thirty (30) days of finalization of completion operations at the associated Well Pad.
- 1.11. No open pit mining shall be permitted on the Property. The Well Pad shall be safe and in good order, and shall at all times be kept free from litter and debris. Operator shall utilize electronic field monitor devices or another type of monitoring system standard in the industry on all Wells.

Road, Pipelines, and Related Issues.

- 2.1. Road. Owner grants to Operator an exclusive access easement ("Road Easement") on the Property for ingress and egress by Operator and its employees, contractors, sub-contractors, agents, and business invitees as needed to conduct oil and gas operations as described in this Agreement. The Road Easement shall be approximately twenty (20) feet in width, being ten (10) feet on each side of the centerline.
 - 2.1.1. Road construction that requires cuts and fills shall be minimized to the maximum extent possible.
 - 2.1.2. Culverts shall be installed at ditch and drainage crossings when requested by Owner where road cross such ditches or drainages, and shall be sized to prevent obstruction to the free flow of the volumes of water being carried, inclusive of flood stages. Operator shall protect all water sources and conveyance structures, including but not limited to the natural flow of creeks, wells, and ditches, from all operational activities and shall immediately remedy any diversion, curtailment, or blockage of water flows or contamination of water sources.

- 2.1.3. The road shall at all times be properly graded, drained, graveled, and maintained by Operator from commencement of operations through final reclamation of the Well Pad(s) or termination of this Agreement. Further, Operator shall keep the Road Easement in good order, at all times free from litter and debris.
- 2.1.4. Operator shall abide by a 15 m.p.h. speed limit at all times on all roads.
- 2.1.5. Operator shall use the best available methods, other than hard surfacing, to limit dust. Magnesium chloride shall be applied when requested by Owner, up to a maximum of two (2) times per year.
- 2.1.6. Owner shall have the right to relocate any road, provided that such relocation does not impose an undue burden on Operator. Any relocated road shall be of similar utility, and all costs associated with such relocation, other than routine maintenance, shall be at Owner's expense.
- 2.1.7. The Road Easement conveyed by this Agreement shall not include a right of use by the public to other lands. Owner reserves the right to use all such roads for any purpose that does not unreasonably interfere with Operator's operations.
- 2.1.8. <u>Consideration</u>. As consideration for the grant of the Road Easement, prior to commencing any use or construction, Operator shall pay Owner a one-time payment of per linear foot of Road Easement.
- 2.2. Pipeline Easement. Owner grants to Operator, its agents, employees, contractors, and subcontractors, a non-exclusive pipeline easement ("Pipeline Easement"), approximately fifteen (15) feet in width along existing roads or disturbances if applicable and/or across the Property to the Well Pad(s), or thirty (30) feet when not adjacent to existing roads or disturbances, to construct, maintain, inspect, and operate, a pipeline or pipelines, and pigging facilities solely for: 1) transporting oil, gas, petroleum products, water, and any other substances recovered during oil and gas production under this Agreement, whether fluid or solid, any products and derivatives of any of those substances, and any combinations and mixtures of any of those substances, and 2) movement of water. Owner also grants to Operator a license for the use of 15 feet parallel to and adjoining one side of the Pipeline Easement as appropriate for temporary use during the initial installation of the pipelines.
 - 2.2.1. Nothing in this subsection 2.2 shall be construed as granting Operator the right to place any facilities on the Property other than the pipeline, and related pipeline equipment to be placed in the Pipeline Easement.
 - 2.2.3. Consideration. As consideration for the grant of the Pipeline Easement, prior to commencing any use or construction on the Pipeline Easement, Operator shall pay Owner a one-time payment of per linear foot but only as to that portion of the Pipeline Easement that is not located within the Road Easement. Consideration has been paid pursuant to Section 2.1 of this Agreement for that portion of the Pipeline Easement that is located within the Road Easement.
- 2.3 <u>Completion Pits</u>. If deemed necessary, Operator will build completion pits ("Completion Pit") on the Property for the purposes of storage of completion fluids utilized in the completion of Operators wells.

2.3.1 Completion Pit shall be lined with a minimum of 24 ml plastic (or as required per UOGCC regulations) and all plastic lining shall be removed during initial reclamation and not buried in place. Excavated material shall be replaced within thirty (30) days of finalization of completion of operations at the Completion Pit unless otherwise agreed to by the parties. Operator will be responsible for all reclamation of the Completion Pit and, as part of the reclamation, Operator shall remove all construction materials no longer necessary of the operation of the Completion Pit and remove compaction from the soil in areas no longer necessary of the operation of the Completion The Completion Pit and access road shall be returned to the approximate original topography and seeded with appropriate native vegetation for ground cover and erosion control. Subsidence in any reclaimed area shall be corrected by adding additional topsoil. Crop lands shall be returned to grass or alfalfa, as requested by Owner, and sagebrush areas shall be planted with native grasses and vegetation that existed prior to disturbance.

At all times while Completion Rit is being utilized and until such time as Completion Pit is reclaimed, Completion Pit shall be fenced with five-strand barb wire fencing affixed to steel posts spaced six (6) feet apart at a height not less than forty-eight (48) inches.

Owner agrees to give its approval of any permit that is deemed necessary by Operator from Uintah County, the State of Utah or other lawful authority claiming jurisdiction over the Completion Pit and operations related to thereto.

2.4. Easement Construction.

- 2.4.1 Operator shall use its best efforts to provide written notice to Owner at least two (2) weeks prior to any construction or installation under this Section 2, with the exception of initial construction which may proceed immediately upon execution of this Agreement.
- 2.4.2 Operator shall run all pipelines on surface whenever possible to minimize surface disturbance. If necessary to bury pipelines, Operator will bury pipelines placed within any pipeline easement at a depth not less than thirty six (36) inches, and shall install all such pipelines so that they can be detected using a commonly available metal detector.
- 2.4.3 Operator shall use its best efforts to immediately repair any roadway crossings and fences on or enclosing the Property that is damaged or temporarily taken down during any construction on or use of any pipeline easement.
- 2.4.4 Any rocks excavated by Operator that are too large (12" or greater) to be incorporated into fill shall be removed.
- 2.4.5 Operator shall provide Owner with "as-built" survey of all pipelines

after construction. It shall be the Operator's responsibility to record necessary documents in Uintah County, and to provide the Owner with a copy of any recorded documents.

- 2.4.6 Operator shall not use any pipeline easement as a vehicle access point to lands adjacent to the Property. Unless otherwise agreed to by both parties, no gates shall be installed on any fences on or near the boundary lines of the Property.
- 2.4.7 During installation of any road or pipeline on the Property, and at all times thereafter, Operator shall minimize disruption of, and interference with, any ranching, agriculture, or other operations conducted on the Property now or in the future. No camping, recreating, hunting, or any other non-pipeline related activities are permissible at any time on the pipeline or road easements or the Property by Operator.
- 2.4.8 Within 120 days after installation of any pipeline, or any maintenance or repair of any pipeline that disturbs the surface of the Property, Operator shall restore any affected area to its approximate pre-disturbance topography and reseed all such areas with appropriate native grasses or alfalfa for ground cover and erosion control as requested by Owner. Operator shall insure a naturally contoured surface over the pipeline easements.
- 2.5 <u>Term of Grant</u>. The pipeline and road easements granted herein shall continue until: (i) the termination of this Agreement in accordance with Section 8, or (ii) Operator's written surrender of the easement.
- 2.6. Evolution of Use. Operator's use of the easements shall be limited according to the terms of this Agreement, and the doctrine of "normal evolution of use" shall not apply to Operator's use of the easements.
 - Weed Control. Operator shall be responsible for controlling all noxious weeds on all areas of its operations.
 - 3.1. <u>Notification</u>. If Operator locates, or Owner notifies Operator in writing of the location of, noxious weeds on any areas subject to this Section 3, Operator shall implement control procedures before the noxious weeds go to seed.
- 4. <u>Erosion Control.</u> Operator shall be responsible for controlling all erosion of soils at any Well Pad and easement, and on areas adjacent to the Property that is caused by the activities of Operator or its employees, contractors, sub-contractors, or agents. Such erosion control shall include, without limitation, recontouring, reseeding and re-vegetating such lands and restoring any reservoirs or waterways to their previous quality and capacity. Operator's responsibility for erosion control pursuant to this Section 4 shall be ongoing and shall continue even after termination of Operator's use of a Well Pad or easement, until (i) such time as Owner provides Operator with a written release of Operator's further obligation to control erosion on the Property, or (ii) one year has passed since the last Well was plugged and abandoned or the termination of the easement, as the case may be.

5. Reclamation.

- 5.1. <u>Initial Reclamation</u>. Within two (2) years after initial disturbance to a Well Pad, except for areas required for current operations such as roads, the wellhead(s), permanent facilities, water pits, future drilling and completion operations, and room for future workover operations, Operator shall restore all disturbed areas in accordance with this subsection 5.1. Such restoration shall commence immediately following completion of the Wells and establishment of equipment on a Well Pad, the completion of a road, and/or the completion of a pipeline, as the case may be.
 - 5.1.1. Operator shall submit copies of a site-specific reclamation plan along with copies of each approved Application for Permit-to-Drill, including any conditions of approval for all Wells on the Property, prior to commencement of construction operations with heavy equipment. All interim and final reclamation goals shall be included in the site-specific reclamation plan.
 - 5.1.2. Operator shall provide Owner at Owner's request with: (i) cut and fill diagrams for construction of the Well Pads, including cross sections and plan views with topographic contours; and (ii) a site map showing the location of wellbores, drilling and completion pits, access roads, soil stockpiles, and the layout of drilling and completion equipment.
 - 5.1.3. Operator shall remove all construction materials, in-fill pits and holes no longer necessary of the operation of the Well(s), and remove compaction from the soil in areas no longer necessary of the operation of the Well(s). The operational Well Pad shall be returned to the approximate original topography and seeded with appropriate native vegetation for ground cover and erosion control. Subsidence in any reclaimed area shall be corrected by adding additional topsoil. Crop lands shall be returned to grass or alfalfa, as requested by Owner, and sagebrush areas shall be planted with native grasses and vegetation that existed prior to disturbance.
 - 5.1.4. A minimum of twelve (12) inches of favorable growth medium shall be reapplied during interim and final reclamation. If this quantity of material is not available, existing soils shall be treated with amendments and fertilizer to create a favorable growth medium.
 - 5.1.5. The Well Pad(s) and easements shall be mulched immediately after seeding with weed-free straw or other type of weed-free mulch. Operator shall be responsible for protecting re-plantings, including fencing to exclude animals.
 - 5.1.6. Additional disturbance of native or previously reclaimed areas shall be minimized. If any subsequent disturbances of surface areas are undertaken at any time, the same reclamation and re-vegetation obligations shall apply. Recontouring shall not be required in areas that have been successfully reclaimed.
 - 5.2. <u>Final Reclamation</u>. Final reclamation shall return the entire site to its original topography and vegetation, and shall be complete and successful within three (3) years after the last Well is plugged and abandoned. However, if at the end of the three (3) year period

Operator has not completed a successful reclamation because of events beyond its control, Owner agrees to grant Operator in writing a reasonable extension of time to achieve a successful reclamation. Upon final termination of operations, Owner may request culverts and fencing to be left in place, in which case they shall thereafter belong to Owner.

- 6. Water. For all drilling, completion and Well Pad and road construction, Operator shall have the continuing ability to use any water located on the Property, except as otherwise expressly agreed in writing by Owner. The Owners needs of water for agricultural uses shall be senior to Operators needs of water, however, in the event of conflicting desires for use of water, the parties shall mutually agree as to the best use alternative. Operator shall take all necessary steps to prevent its operations from polluting any water well, water spring or other water source located on the Property.
- 7. <u>Hunting</u>. Operator will not allow any hunting to be conducted on the Property by it employees and contractors. No firearms will be allowed in any vehicle that is utilized by Operators employees or contractors.
- 8. Termination. This Agreement shall terminate upon the later of: (i) the expiration or termination of the Lease and easements granted; or (ii) upon completion of final reclamation. No termination of this Agreement by Owner, Operator or otherwise shall relieve Operator of any obligation under this Agreement incurred or occurring prior to and through the date of termination, including Operator's liability for or obligation to perform any maintenance, reclamation, mitigation, corrective action, or expenditures required pursuant to common law or any federal, state or local statute, regulation, rule or ordinance. Upon termination of the rights granted under this Agreement, Operator shall execute and deliver to Owner, within thirty (30) days of written demand therefor, an acknowledgment that this Agreement has been terminated. If Operator fails or refuses to deliver that acknowledgment, a written notice by Owner reciting any such failure or refusal and that this Agreement is terminated shall, sixty (60) days after the date of recording of that notice, be conclusive evidence against Operator and all persons claiming under Operator of the termination of this Agreement.

General Provisions.

- 9.1. <u>Consultation</u>. Operator shall consult with Owner regarding all significant operations involving Operator's use of the Property. Operator shall notify Owner at least seven (7) days prior to beginning any work on the Property involving heavy equipment, including but not limited to drilling, excavating, and cutting roads or laying pipelines.
- 9.2. <u>Surveys, Plans</u>. Prior to construction, Operator shall provide Owner with UOGCC well permits and applications, as well as surveys and plans of the Well Pad site, easements, roads, pipelines and equipment location.
- 9.3. <u>Liability of Operator</u>. Except for the damages covered by this Agreement, Operator shall be liable for any injury to persons, property, or livestock caused by or incident to the operations of Operator, its agents, employees, contractors, or subcontractors ("Operator Group") on the Property, or any extraordinary damages due to spills of materials, explosions, or any other harmful activity of Operator. Operator shall indemnify and hold harmless Owner from and against any and all past, present and future liability, damages, costs, expenses, fines, penalties and fees (including without limitation reasonable attorney and consultant fees)

incurred by or asserted against Owner arising from or regarding or relating to the Operator Group's use of the Wells, Well Pad(s) or easements or any other rights granted by this Agreement. Such indemnification shall extend to and encompass, but shall not be limited to, all claims, demands, actions or other matters which arise under the common law or other laws designed to protect the environment and public health or welfare including, without limitation. the following laws (as amended) and any regulation promulgated under their authority: Endangered Species Act of 1973 (16 U.S.C. § 1531, et seq.); Clean Water Act (33 U.S.C. § 1251, et seq.); Clean Air Act (42 U.S.C. § 741, et seq.); National Environmental Policy Act (42 U.S.C. § 4321, et seq.); Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601, et seq.); Solid Waste Disposal Act (42 U.S.C. § 6901, et seq.); Toxic Substance Control Act (16 U.S.C. § 2601, et seq.); Safe Drinking Water Act (42 U.S.C. § 300f, et seq.); Occupational Safety and Health Act (29 U.S.C. § 651, et seq.); and any applicable state or local statutes, regulations or ordinances. Operator shall, at Owner's option. defend Owner or reimburse Owner as expenses are incurred for Owner's defense against any claims, demands, actions or other matters, whether brought or asserted by federal, state or local governmental bodies or officials, or by private persons, which are asserted pursuant to or brought under any such laws. All of Operator's obligations stated in this subsection 9.3 shall survive termination of this Agreement.

- 9.4. Regulations: No part of this Agreement shall be construed to relieve Operator from any or all UOGCC or regulations, present and future.
- 9.5. <u>No Off-Site Substances</u>. Operator shall not store or dispose of on the Property any soil, waste, or other substance generated off of the Property, except water to be used for fracing purposes or disposal services.
- 9.6. <u>Prohibited Items and Activities</u>. Operator shall not be permitted to have, or allow, firearms, crossbows, pets, alcohol, or illegal drugs on the Property. Personal and/or leisure activities are prohibited. No employees, contractors, subcontractors, agents, guests or invitees of Operator shall reside on the Property overnight, with the exception of personnel deemed critical to Well operations by the Operator.
- 9.7. <u>Insurance</u>. Operator shall keep its operations insured, or comply with applicable self-insurance laws and regulations, for automobile, liability, and workmen's compensation insurance, and for any damages incurred on the Property.
- 9.8. Operator Liens. Operator shall, at its sole expense, keep the Property free and clear of all liens and encumbrances resulting from Operator's and its agents' activities on the Property, and shall indemnify and hold harmless Owner from and against any and all liens, claims, demands, costs, and expenses, including, without limitation, attorney fees and court costs, in connection with or arising out of any work done, labor performed, or materials furnished.
- 9.9. <u>No Warranty of Title</u>. This Agreement is made subject to any and all existing easements, rights-of-way, liens, agreements, burdens, encumbrances, restrictions, and defects in title affecting the Property. Owner does not in any way warrant or guarantee title to the Property.
- 9.10. <u>Subrogation of Rights</u>. Operator shall have the right to discharge or redeem for Owner, in whole or in part, any mortgage, tax, or other lien on the Property that could jeopardize Operator's rights under this Agreement, in which case Operator shall be subrogated to such

rights of the party to whom payment is made for purposes of securing and collecting the amounts paid on behalf of the Owner.

- 9.11. Waiver. The failure of either party to enforce any of its rights under this Agreement upon any occasion shall not be deemed a waiver of such rights on any subsequent occasion(s). The waiver, either express or implied, by any party of any of the rights, terms or conditions in this Agreement shall not be deemed as or constitute a waiver of any other rights, terms or conditions in this Agreement. Any waiver, in order to be valid and effective, must be in writing.
- 9.12. Notice. Wherever provision is made in this Agreement for the giving, service, or delivery of any notice, statement, or other instrument, such notice shall be given by: (i) personal delivery, or (ii) United States first class mail, postage prepaid, addressed to the party entitled to receive the same at the address stated in the introductory paragraph; provided, however, that each party may change that party's mailing address by giving to the other party written notice of change of such address in the manner provided in this subsection. Mail shall be deemed to have been given, served and delivered upon the third delivery day following the date of the mailing; personal delivery shall be deemed to have been given, served and delivered upon receipt.

9.13. UOGCC Notices.

- 9.13.1. Owner shall be provided with a copy of any "Change of Operator" notice filed with the UOGCC pursuant to Rule 312.
- 9.13.2. A copy of any notice filed with the UOGCC regarding public health, safety, or emergency matters shall be delivered to Owner simultaneously with the UOGCC notice. In the event of a spill of E&P waste or any substance, Operator shall immediately notify Owner, verbally or by telephone if possible, and identify the quantity, location, and type of substance released. In the event of a surface or subsurface loss of well control, Operator shall notify Owner, verbally or by telephone if possible, as soon as possible. Any verbal or telephonic notification under this subsection shall be documented in writing and provided to Owner in accordance with subsection 9.14.
- 9.13.3. Copies of all forms, notices, plans, tests, or other documentation regarding spills or blow-outs shall be provided to Owner at the same time as filing with the UOGCC, local government representative, or any other regulatory agency.
- 9.13.4. A copy of any Operator requests for variance from surface use or reclamation regulations, not requiring a petition and notice to Owner, shall be delivered to Owner at the same time as delivery to the UOGCC.
- 9.14. <u>Authority</u>. Operator represents and warrants that it has full authority to commit to this Agreement. Operator shall provide Owner with a copy of all leases, including pooling or communitization agreements, and spacing orders, under which it is operating on the Property.
- 9.15. <u>Survival of Obligations</u>, All obligations, indemnifications, duties, and liabilities undertaken by Operator under this Agreement shall survive the termination of this Agreement.

9.16. Merger of Prior Agreements. This Agreement and the Lease contain the sole and entire agreement and understanding of the parties with respect to the entire subject matter on the Property. All prior discussions, negotiations, commitments, agreements, and understandings relating to the subjects of this Agreement on the Property, and the Lease are merged into them. In the event of any conflict between the terms of this Agreement and the Lease, the terms of this Agreement shall control.

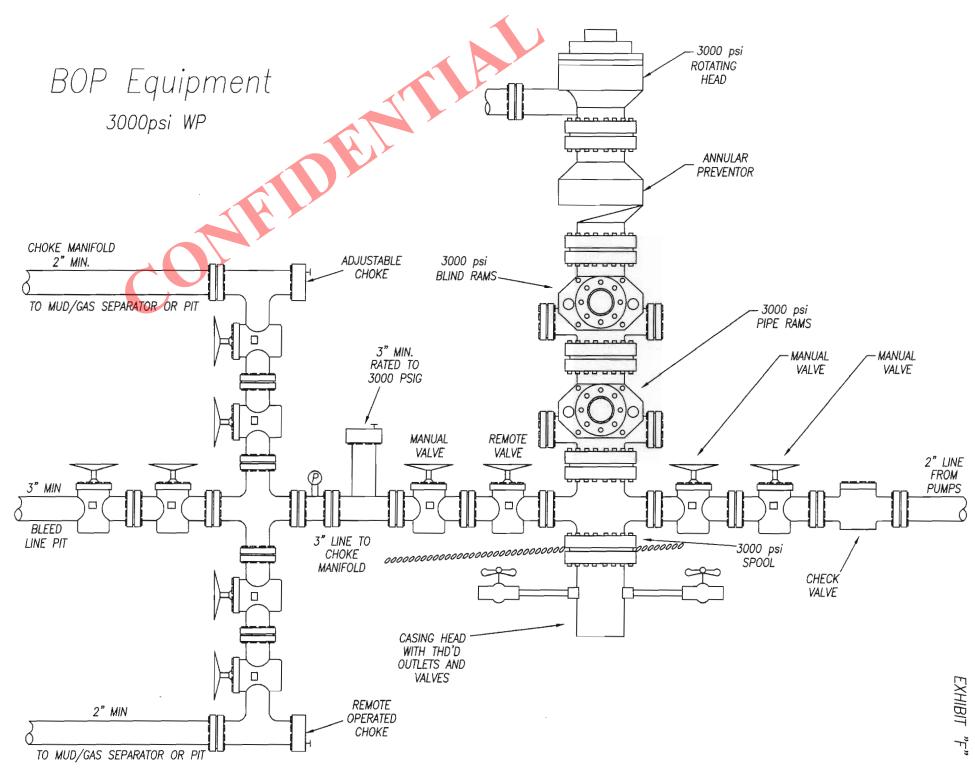
- 9.17. <u>Amendments</u>. This Agreement may only be amended by the written agreement of both parties. This Agreement cannot be amended or terminated orally.
 - 9.18. Assignment. This Agreement is assignable by the parties.
- 9.19. <u>Headings</u>. Section headings or captions contained in this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or the intent of any provision.
- 9.20. <u>Construction</u>. Whenever required by the context of this Agreement, the singular shall include the plural, and vice versa; and the masculine gender shall include the feminine and neuter genders, and vice versa. The provisions of this Agreement have been independently, separately and freely negotiated by the parties as if drafted by both of them. The parties waive any statutory or common law presumption that would serve to have this Agreement construed in favor of or against either party.
- 9.21. Severability. If any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws applicable to this Agreement, the parties intend that the remainder of this Agreement shall remain in full force and effect so as to fulfill as fully as possible the intent of the parties as expressed by the then existing terms of the Agreement, including the invalidated provision.
- 9.22. Applicable Law and Attorney Fees. This Agreement and the rights of the parties under it shall be governed by and interpreted in accordance with the laws of the State of Utah, by the District Court of Uintah County, Utah. In the event of a dispute involving or related to any term or condition of this Agreement, the non-breaching party shall be entitled to recover its reasonable costs and attorney fees, including post-judgment collection costs, in addition to actual damages.
- 9.23. <u>Heirs, Successors and Assigns</u>. Subject to any limitations on assignment provided in this Agreement, this Agreement shall run with the land and be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

OWNER:	
John Busch	VEBAL ACKNOWLEDGEMENT OF SIGNATURE 6-12-12 @ 8:20 AM
STATE OF COLORAD &	
COUNTY OF WINTAM DENVER	
Tolly Busch, owner and My commission expires: 6-4-20	ged and sworn to before me on June 674, 2012 by
Witness my hand and seal.	Cindu June Cindu Turner
OPERATOR: Axia Energy, LLC	Notary Public Notary Public State of Colorado
By: Tab McGinley, Vice President of Land and Busine	My Commission Fr 25/04/201
STATE OF COLORADO	
COUNTY OF DENVER	
McGinley, Vice President of Land and Busines	
My commission expires: 6-4-2	2013
Witness my hand and seal.	Notary Public Jurne
Cindy J. Turner Notary Public State of Colorado	rvotaty Public /

EXHIBIT 'A'

Attached survey plats designating well pad and ROW's to be defined by this agreement.





RECEIVED: July 12, 2012



2580 Creekview Road Moab, Utah 84532 435/719-2018

July 9, 2012

Mrs. Diana Mason State of Utah Division of Oil Gas and Mining P.O. Box 145801 Salt Lake City, Utah 84114-5801

RE: Request for Exception to Spacing – Axia Energy, LLC – **Three Rivers Federal 34-15-720**Surface Location: 232' FSL & 211' FWL, SW/4 SW/4, Section 34, T7S, R20E,
Target Location: 528' FSL & 460' FWL, SW/4 SW/4, Section 34, T7S, R20E,
SLB&M, Uintah County, Utah

Dear Diana:

Axia Energy, LLC respectfully submits this request for exception to spacing (R649-3-11) based on geology since the well is located less than 460 feet to the drilling unit boundary. Axia Energy, LLC is the only owner and operator within 460 feet of the surface and target location as well as all points along the intended well bore path and are not within 460 feet of any uncommitted tracts or a unit boundary.

Thank you very much for your timely consideration of this application. Please feel free to contact Jess A. Peonio of Axia Energy, LLC at 720-746-5212 or myself should you have any questions or need additional information.

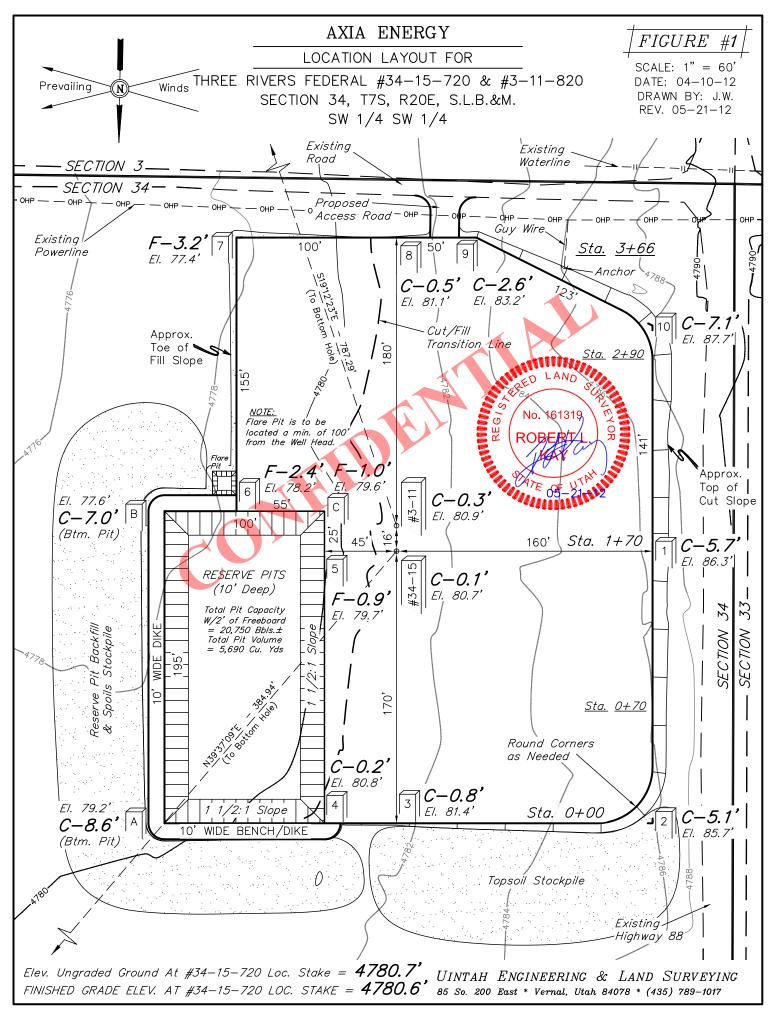
Sincerely,

Don Hamilton

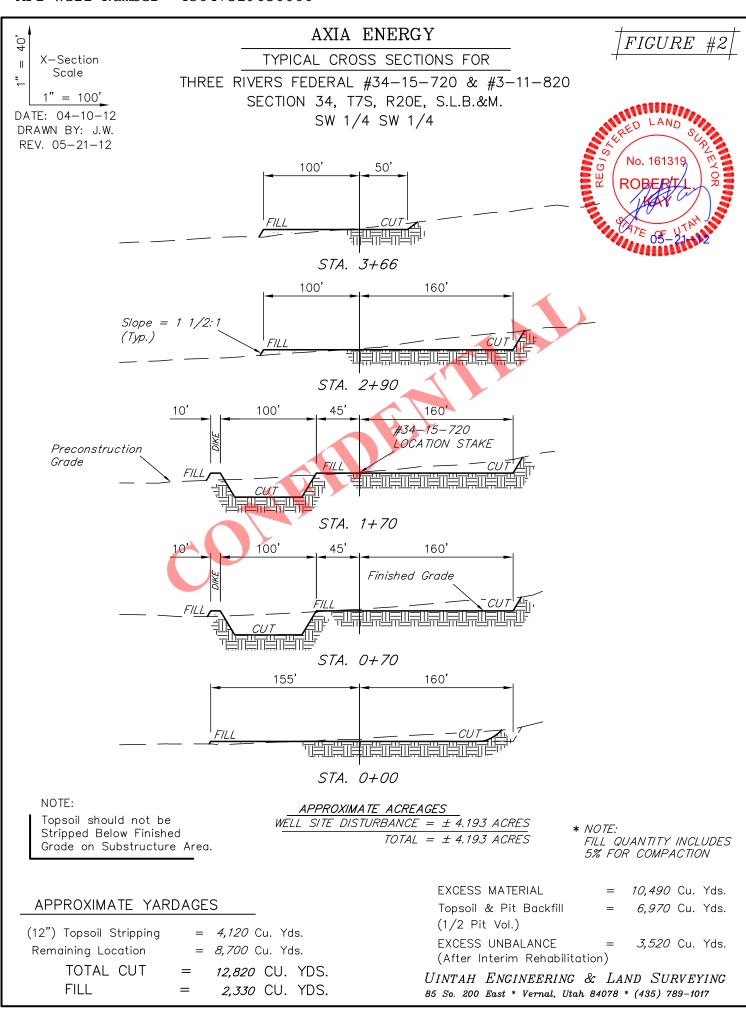
Agent for Axia Energy, LLC

cc: Jess A. Peonio, Axia Energy, LLC

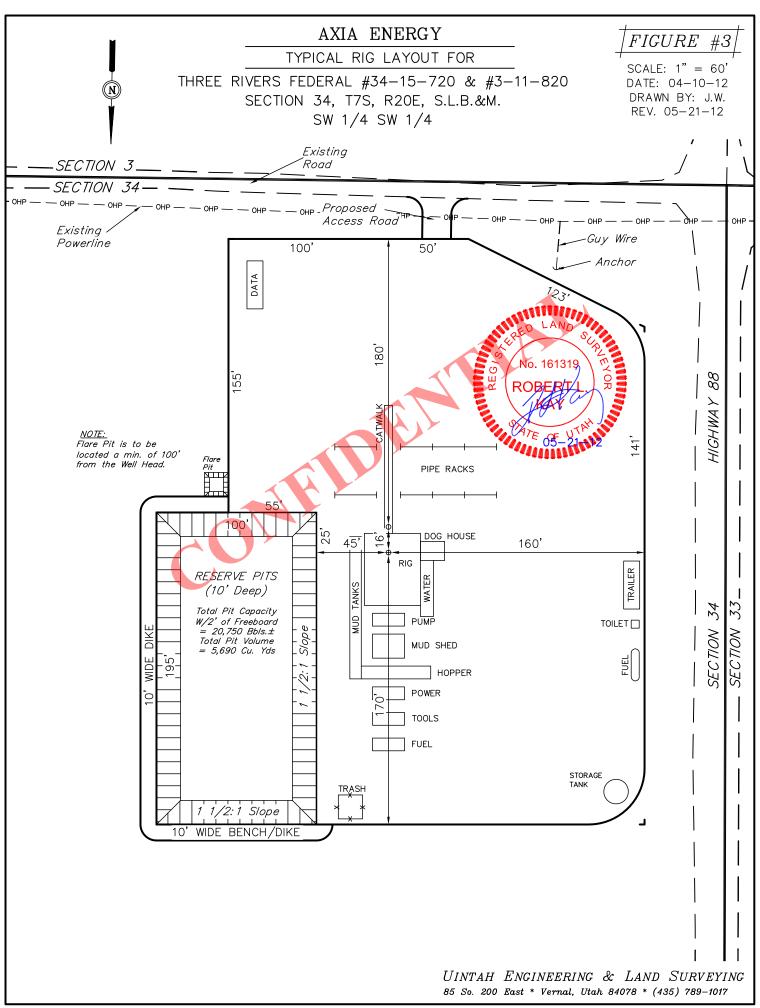
RECEIVED: July 12, 2012

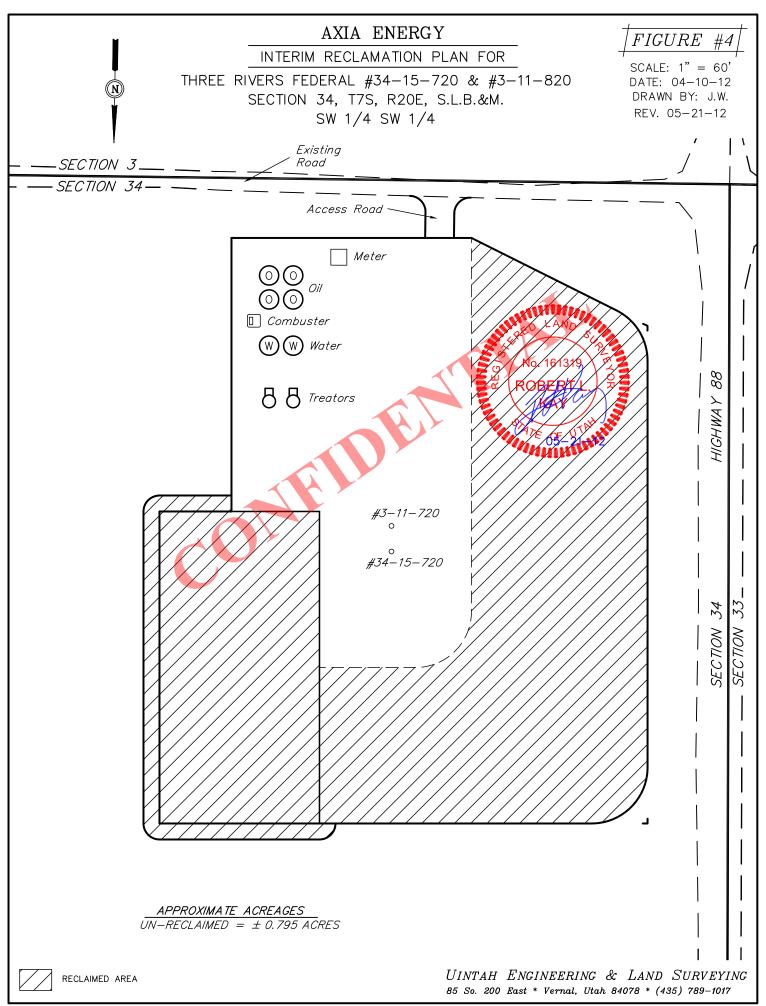


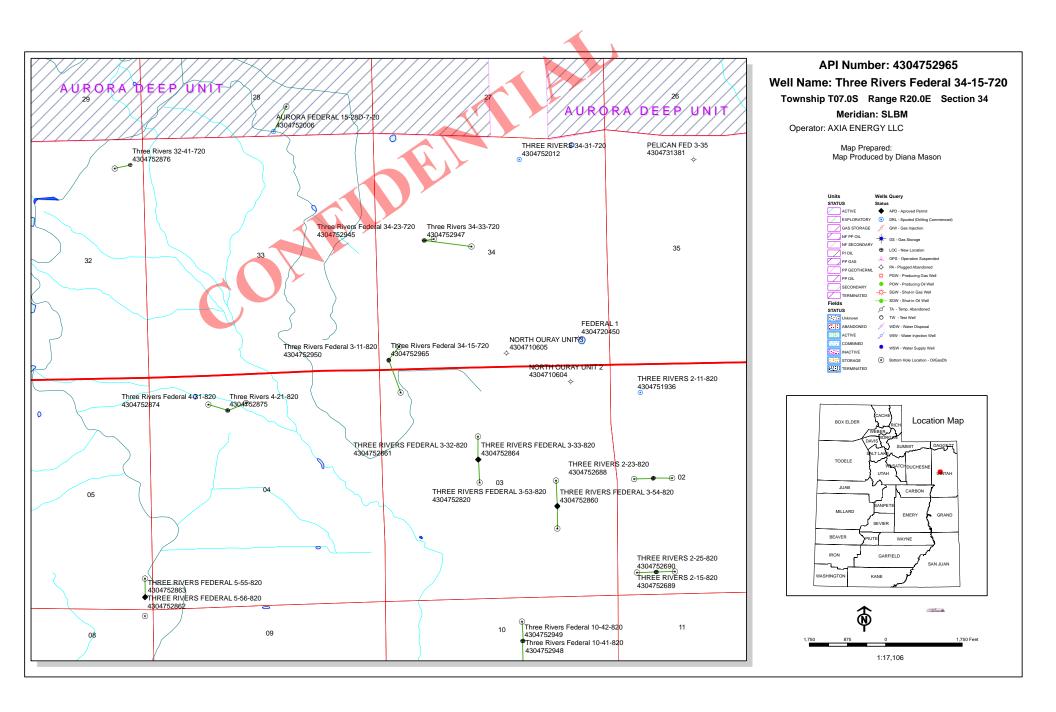
RECEIVED: July 12, 2012



RECEIVED: July 12, 2012







API Well Number: 43047529650000

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator AXIA ENERGY LLC

Well Name Three Rivers Federal 34-15-720

API Number 43047529650000 APD No 6380 Field/Unit WILDCAT

Location: 1/4,1/4 SWSW Sec 34 Tw 7.0S Rng 20.0E 232 FSL 211 FWL

GPS Coord (UTM) 613814 4446332 Surface Owner John and Darla J. Busch

Participants

Shane Wentzel (Axia), Brandon Bowthorpe (UELS), John Busch (dirt contractor), Don Hamilton (permit contractor)

Regional/Local Setting & Topography

This proposed well site is approximately 1.75 miles south of Pelican Lake, but the land her slopes east toward the Green River approximately 2 miles away. The location sits just to the north of Highway 88.

Surface Use Plan

Current Surface Use

Grazing

New Road
Miles

Well Pad

Src Const Material Surface Formation

0.004 Width 260 Length 366 Onsite UNTA

Y

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Spiny hopsage, desert grasses, prickly pear

Soil Type and Characteristics

Sandy soil

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? N

Berm Required? N

Erosion Sedimentation Control Required? N

API Well Number: 43047529650000

Paleo Survey Run? N Paleo Potental Observed? N Cultural Survey Run? N Cultural Resources? N

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)
Distance to Surface Water (feet)
Dist. Nearest Municipal Well (ft)
Distance to Other Wells (feet)
Native Soil Type
Fluid Type
Drill Cuttings
Annual Precipitation (inches)
Affected Populations
Presence Nearby Utility Conduits
Final Score

Sensitivity Level

Characteristics / Requirements

Reserve pit should be 195ft by 100ft by 10ft deep. Axia representative Shane Wentzel stated that a 16 mil liner and felt subliner will be used. This appears to be adequate for this site.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? Y

Other Observations / Comments

Richard Powell
Evaluator

7/18/2012 **Date / Time**

API Well Number: 43047529650000

Application for Permit to Drill Statement of Basis

Utah Division of Oil, Gas and Mining

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
6380	43047529650000	LOCKED	OW	P	No
Operator	AXIA ENERGY LLC		Surface Owner-AP	D John and Dar Busch	la J.
Well Name	Three Rivers Federal	34-15-720	Unit		
Field	WILDCAT		Type of Work	DRILL	
Location	SWSW 34 7S 20E (UTM) 613819E 44	S 232 FSL 446339N	211 FWL GPS Coor	1	

Geologic Statement of Basis

The mineral rights for the proposed well are owned by the Federal Government. The BLM will be the agency responsible for evaluating and approving the drilling, casing and cement programs.

Brad Hill **APD Evaluator**

7/30/2012 **Date / Time**

Surface Statement of Basis

This proposed well is on fee surface. This proposed site is a two well pad to be shared with the Three Rivers Federal 34-15-720. Surface owner John Busch who is also the dirt contractor for this location was present and is satisfied with the placement of the well. Mr. Busch made no requests for this location. Shane Wentzel of Axia stated that a 16 mil liner and felt subliner would be used and this appears to be adequate for the site. Mr. Wentzel also stated that covert green paint color would be used for all tanks and equipment. This appears to be a good site for placement of this well.

Richard Powell 7/18/2012
Onsite Evaluator Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 7/12/2012

WELL NAME: Three Rivers Federal 34-15-720

OPERATOR: AXIA ENERGY LLC (N3765)

CONTACT: Don Hamilton

PROPOSED LOCATION: SWSW 34 070S 200E

SURFACE: 0232 FSL 0211 FWL

BOTTOM: 0528 FSL 0460 FWL

COUNTY: UINTAH

LATITUDE: 40.15970

UTM SURF EASTINGS: 613819.00

FIELD NAME: WILDCAT LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-85992

SURFACE OWNER: 4 - Fee

API NO. ASSIGNED: 43047529650000

PHONE NUMBER: 435 719-2018

Permit Tech Review:

Engineering Review:

Geology Review:

LONGITUDE: -109.66350

NORTHINGS: 4446339.00

PROPOSED PRODUCING FORMATION(S): WASATCH

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

✓ PLAT

Bond: FEDERAL - LPM9046683

Potash

Oil Shale 190-5

Oil Shale 190-3

Oil Shale 190-13

Water Permit: 49-2262 - RNI at Green River

RDCC Review: 2012-08-07 00:00:00.0

Fee Surface Agreement

Intent to Commingle

Commingling Approved

LOCATION AND SITING:

R649-2-3.

Unit:

R649-3-2. General

■ R649-3-3. Exception

Drilling Unit

Board Cause No: R649-3-11

Effective Date:

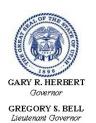
Siting:

🖊 R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations: 1 - Exception Location - bhill

4 - Federal Approval - dmason 5 - Statement of Basis - bhill 15 - Directional - dmason 21 - RDCC - dmason 23 - Spacing - dmason



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Three Rivers Federal 34-15-720

API Well Number: 43047529650000

Lease Number: UTU-85992 **Surface Owner:** FEE (PRIVATE)

Approval Date: 8/8/2012

Issued to:

AXIA ENERGY LLC, 1430 Larimer Ste 400, Denver, CO 80202

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-11. The expected producing formation or pool is the WASATCH Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

The Application for Permit to Drill has been forwarded to the Resource Development Coordinating Committee for review of this action. The operator will be required to comply with any applicable recommendations resulting from this review. (See attached) This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

• Within 24 hours following the spudding of the well - contact Carol Daniels at 801-538-5284

(please leave a voicemail message if not available) OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at http://oilgas.ogm.utah.gov

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
 - Requests to Change Plans (Form 9) due prior to implementation
 - Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
 - Report of Water Encountered (Form 7) due within 30 days after completion
- Well Completion Report (Form 8) due within 30 days after completion or plugging

Approved By:

For John Rogers Associate Director, Oil & Gas Form 3160-3 (August 2007)

RECEIVED

UNITED STATES DEPARTMENT OF THE INTERIOR FORM APPROVED OMB No. 1004-0136 Expires July 31, 2010

Lease Serial No. UTU85592

BUREAU OF LAND MANAGEMENT JUL 0 5 2012

APPLICATION FOR PERMIT	TO DRILL OR REENTER	6. If Indian, Allottee or Tribe Na	me
1a. Type of Work: ☐ DRILL ☐ REENTER	CONFIDENTIAL	7. If Unit or CA Agreement, Nan	ne and No.
1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Oth		8. Lease Name and Well No. THREE RIVERS FEDERAL	. 34-15-720
AXIA ENERGY LLC E-Mail: starpoin	DON S HAMILTON t@etv.net	9. API Well No. 43-047-52965	-
3a. Address 1430 LARIMER STREET SUITE #400 DENVER, CO 80202	3b. Phone No. (include area code) Ph: 435-719-2018 Fx: 435-719-2019	10. Field and Pool, or Explorator UNDESIGNATED	у
4. Location of Well (Report location clearly and in accorded	ance with any State requirements.*)	11. Sec., T., R., M., or Blk. and S	Survey or Area
At surface SWSW 232FSL 211FWL 4 At proposed prod. zone SWSW 528FSL 460FWL 4	Sec 34 T7S R20E Mer S SME: FEE	LB	
 Distance in miles and direction from nearest town or post 25.5 MILES SOUTHWEST OF VERNAL, UTAH 	office*	12. County or Parish UINTAH	13. State UT
 Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 	16. No. of Acres in Lease	17. Spacing Unit dedicated to thi	s well
211	1200.00	40.00	
 Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 	19. Proposed Depth	20. BLM/BIA Bond No. on file	
16	8924 MD 8897 TVD 22. Approximate date work will start	UTB000464	
21. Elevations (Show whether DF, KB, RT, GL, etc. 4781 GL	23. Estimated duration 60 DAYS		
	24. Attachments		
The following, completed in accordance with the requirements o	f Onshore Oil and Gas Order No. 1, shall be attached to the	his form:	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syst SUPO shall be filed with the appropriate Forest Service Off 	ormation and/or plans as may be rec		
25. Signature (Electronic Submission)	Name (Printed/Typed) DON S HAMILTON Ph: 435-719-2018	Da 0	te 7/03/2012
Title			

PERMITTING AGENT Approved by (Signature

Name (Printed/Typed)

Jerry Kenczka

FEB 2 2 2013

Office

VERNAL FIELD OFFICE

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct

operations thereon. Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

sistant Field Manager

hd & Mineral Resources

RECEIVED

Electronic Submission #142208 verified by the bliv vven incommodation of the vernal For AXIA ENERGY LLC, sent to the Vernal Committed to AFMSS for processing by LESLIE ROBINSON on 07/10/2012 (12LBR0776AE)

DIV. OF OIL, GAS & MINING



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Well No: API No: Axia Energy, LLC.

Three Rivers Federal 34-15-720

170 South 500 East

43-047-52965

Location:

SWSW, Sec. 34, T7S, R20E

UTU-85592

Lease No: Agreement:

OFFICE NUMBER:

(435) 781-4400

OFFICE FAX NUMBER:

(435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: blm_ut_vn_opreport@blm.gov
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- All new and replacement internal combustion gas field engines of less than or equal to 300 designrated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop
 work and contact the Authorized Officer (AO). A determination will be made by the AO as to what
 mitigation may be necessary for the discovered paleontologic material before construction can
 continue.
- Any deviation from the approved APD, including Axia's surface use plan, require written notification to and approval from the BLM prior to implementation.
- Stationary internal combustion engines would comply with the following emission standards: 2 g/bhp-hr of NOx for engines less than 300 HP and 1 g/bhp-hr of NOx for engines over 300 HP.
- Either no or low bleed controllers would be installed on pneumatic pumps, actuators or other pneumatic devices.
- VOC venting controls or flaring would be utilized for oil or gas atmospheric storage tanks.
- VOC venting controls or flaring would be used for glycol dehydration and amine units.
- Where feasible, green completion would be used for well completion, re-completion, venting, or planned blowdown emissions. Alternatively, use controlled VOC emissions methods with 90% efficiency.
- The operator will implement "Safety and Emergency Plan." The operator's safety director will ensure its compliance.
- All operator employees and/or authorized personnel (sub-contractors) in the field will have approved applicable APD's, COAs, and ROW permits/authorizations on their person(s) during all phases of construction.
- All vehicular traffic, personnel movement, construction/restoration operations must be confined to the area approved by the APD, and to the existing roadways.
- All personnel must refrain from collecting artifacts and fossils, and from disturbing any significant cultural resources in the area.
- The personnel from the BLM will be notified should cultural remains from subsurface deposits are exposed or identified during construction. Upon discovery of such deposits, all construction will cease until resources can be identified and protected properly.

2/20/2013

Production facilities will be painted Covert Green to blend in with the surrounding habitat, unless
otherwise stated from the private land owner agreement.

- Site reclamation will be accomplished for portions of the well pad not needed for production, within 6 months of completion, weather permitting. This also includes any roads, and pipeline areas that have been disturbed as well. Roads and pipeline disturbances can undergo reclamation immediately after the pipeline is installed and after the roads are built. Please contact surface owner or the BLM AO for possible seed mixes to use in the project area. Non-natives can be used; however lbs/ac must be kept low to minimize the chance of a monoculture.
- If the pump head is located in the river channel where larval fish are known to occur, the following measures apply:
 - o do not situate the pump in a low-flow or no-flow area as these habitats tend to concentrate larval fishes;
 - o limit the amount of pumping, to the greatest extent possible, during that period of the year when larval fish may be present (April 1 to August 31); and
 - o limit the amount of pumping, to the greatest extent possible, during the pre-dawn hours as larval drift studies indicate that this is a period of greatest daily activity.
- Screen all pump intakes with 3/32 inch mesh material.
- Approach velocities for intake structures will follow the National Marine Fisheries Service's document "Fish Screening Criteria for Anadromous Salmonids". For projects with an in-stream intake that operate in stream reaches where larval fish may be present, the approach velocity will not exceed 0.33 feet per second (ft/s).
- Report any fish impinged on the intake screen to the Service (801.975.3330) and the Utah Division of Wildlife Resources:

Northeastern Region 318 North Vernal Ave, Vernal, UT 84078

Phone: (435) 781-9453

ii: Three Rivers Federal 34-15-720 2/20/2013

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- Gamma Ray Log shall be run from Total Depth to Surface.
- CBL will be run from TD to TOC.
- Cement for the surface casing will be circulated to the surface.
- Cement for long-string shall be circulated 200' above surface casing shoe.
- Variances Granted
 - o All variances approved as written in APD

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.

Page 5 of 7 Well: Three Rivers Federal 34-15-720 2/20/2013

The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is
encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal
Field Office.

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM,
 Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in CD (compact disc) format to the Vernal BLM Field Office. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
 notified when it is placed in a producing status. Such notification will be by written communication
 and must be received in this office by not later than the fifth business day following the date on
 which the well is placed on production. The notification shall provide, as a minimum, the following
 informational items:
 - o Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - o Date well was placed in a producing status (date of first production for which royalty will be

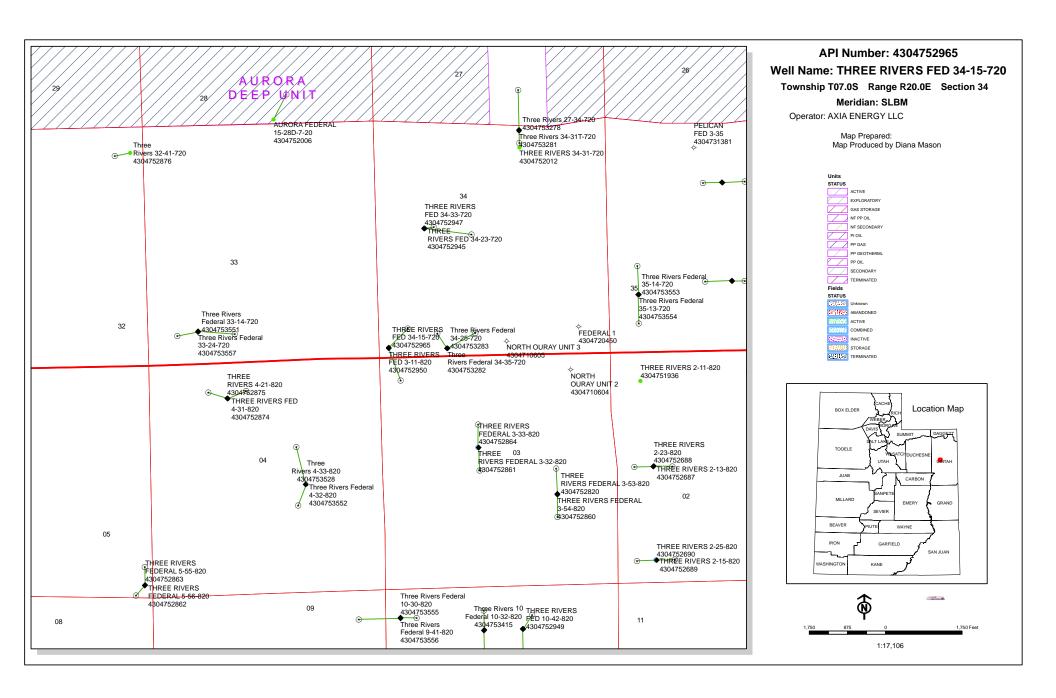
paid).

- o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
- o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
- o Unit agreement and/or participating area name and number, if applicable.
- Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be
 reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported
 verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will
 be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of
 Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to
 the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first.
 All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All
 product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in
 accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering
 lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a
 suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be
 obtained orally, but such approval does not waive the written report requirement.

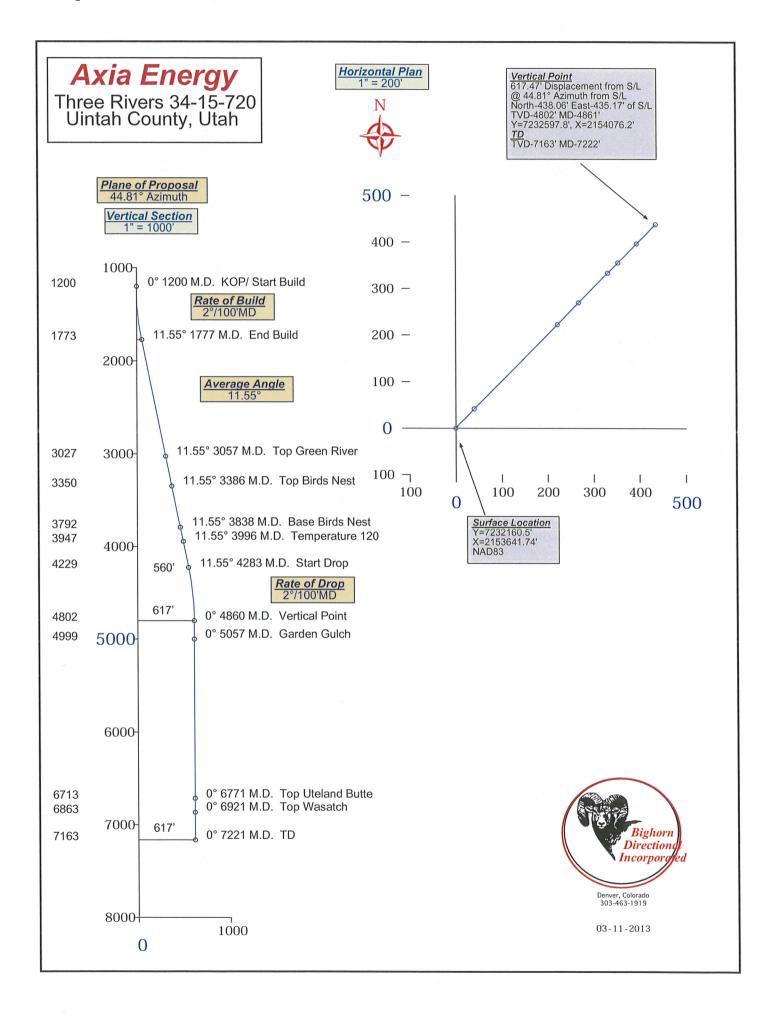
Page 7 of 7 Well: Three Rivers Federal 34-15-720 2/20/2013

- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
 equipment shall be removed from a well to be placed in a suspended status without prior approval
 of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior
 approval of the BLM Vernal Field Office shall be obtained and notification given before resumption
 of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office
 Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in
 order that a representative may witness plugging operations. If a well is suspended or abandoned,
 all pits must be fenced immediately until they are backfilled. The "Subsequent Report of
 Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of
 the well bore, showing location of plugs, amount of cement in each, and amount of casing left in
 hole, and the current status of the surface restoration.

	STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES		FORM 9			
I	DIVISION OF OIL, GAS, AND MININ	G	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-85992			
SUNDR	RY NOTICES AND REPORTS ON	WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
Do not use this form for pro current bottom-hole depth, FOR PERMIT TO DRILL form	posals to drill new wells, significantly decreater plugged wells, or to drill horizontant for such proposals.	epen existing wells below I laterals. Use APPLICATION	7.UNIT or CA AGREEMENT NAME:			
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: THREE RIVERS FED 34-15-720			
2. NAME OF OPERATOR: AXIA ENERGY LLC			9. API NUMBER: 43047529650000			
3. ADDRESS OF OPERATOR: 1430 Larimer Ste 400, Dei		IONE NUMBER: -5200 Ext	9. FIELD and POOL or WILDCAT: WILDCAT			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0232 FSL 0211 FWL			COUNTY: UINTAH			
QTR/QTR, SECTION, TOWNSH	HP, RANGE, MERIDIAN: 34 Township: 07.0S Range: 20.0E Meridiar	n: S	STATE: UTAH			
11. CHEC	K APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPOR	T, OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION				
NOTICE OF INTENT Approximate date work will start: 4/30/2013	☐ ACIDIZE ☐ ☐ CHANGE TO PREVIOUS PLANS ☐ ☐ CHANGE WELL STATUS ☐ ☐ DEEPEN ☐	ALTER CASING CHANGE TUBING COMMINGLE PRODUCING FORMATIONS FRACTURE TREAT	CASING REPAIR CHANGE WELL NAME CONVERT WELL TYPE NEW CONSTRUCTION			
SPUD REPORT Date of Spud: DRILLING REPORT Report Date:	OPERATOR CHANGE PRODUCTION START OR RESUME REPERFORATE CURRENT FORMATION TUBING REPAIR WATER SHUTOFF WILDCAT WELL DETERMINATION	PLUG AND ABANDON RECLAMATION OF WELL SITE SIDETRACK TO REPAIR WELL VENT OR FLARE SI TA STATUS EXTENSION OTHER	PLUG BACK RECOMPLETE DIFFERENT FORMATION TEMPORARY ABANDON WATER DISPOSAL APD EXTENSION OTHER:			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Axia Energy requests changes to the APD approved 08-08-12. BOTTOM HOLE LOCATION (See Attached Plat and Directional Plan) FROM: 528'FSL & 460' FWL SWSW Sec 34-T7S-R20E TO 660' FSL & 660' FWL SWSW Sec 34-T7S-R20E. DEPTH FROM: 8,924' TMD / 8,897' TVD TO 7,222' TMD / 7,163' TVD. SURFACE CASING FROM: 0-900' 8-5/8" 32.00# J-55 LTC TO 0-900' 8-5/8" 24.00# J-55 STC. PRODUCTION CASING FROM: 0-8924'5-1/2" 17.00# N-80 LTC TO 0-7222' 5-1/2" 17.00# J-55 LTC. Cement Requirements will be followed per approved permit.						
NAME (PLEASE PRINT) Cindy Turner	PHONE NUMBER 720 746-5209	TITLE Project Manager				
SIGNATURE N/A		DATE 3/18/2013				



Sundry Number: 35653 API Well Number: 43047529650000 #34-15-720 DATE DRAWN: 04-10-12 BENCH MARK (38EAM) LOCATED IN THE SW 1/4 OF SECTION 9, T7S, R20E, S.L.B.&M. TAKEN FROM THE PELICAN LAKE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD T7S, R20E, S.L.B.&M., Uintah County, (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4942 FEET. SURVEYING 84078 MAHITE GOZUZI THIS IS TO CERTIFY THAT THE ABOVE PARTY MASS PREPARED VICELD NOTES OF ACTUAL SURVEYS MARE BY WE OR UNDERNOUPERVISION AND THAT THE SAME ARE TRUE AND ERREGGE ō BEARINGS IS A G.P.S. OBSERVATION. ON SIG. 161319 10001 shown in the SW 1/4 SW 1/4 VERNAL, UTAH PLAT AXIA ENERGY RIVERS FEDERAL 04-06-12 BASIS OF ELEVATION DATE SURVEYED: OF BEARINGS LAND G.L.0. REGISTE EL REGISTRATE STATE OF CERTIFICATE ENERGY REFERENCES 789-1017 BEST OF MY KNOWLEDGE AND BELIEF CAL સ ı ENGINEERING (435)200, 200 EAST AXIA BASIS THREE LINE | DIRECTION | LENGTH 2754.84 27.707.72 617.31 1000, 02-22-13 K.0. 04-26-12 ڪ. ≽. LINE TABLE P Well location, N00*35*17"W S86"20"19"E N45"57"39"E SOUTH BASIS 1000, A.S. WARM SD Unitah II Section B.H. ocated 85 MEATHER Utah. REV. SCALE PARTY = 2 2 Sec. 3 Brass Cap. Below Ground W 1/4 Cor. Brass Cap S. T'7S T'8S Brass Cap 109.663550 50 = 109'39'46.28" (109.662856 Sec. 26 40.159689 (40.159725) 1988 M.GO. 14.00N 2704.87' (Meds.) - 2703.70' (Meds.) J., £1, 50.00N 1988 Brass Cap 40'09'34.88" (LONGITUDE = 109°39'48.78" (NAD 27 (SURFACE LOCATION) NAD 83 (SURFACE LOCATION LATITUDE = 40'09'34.88" (0.5' High, E-W Fence 1351.57' (Meas., Corner by Double Proportion Method (Not Set on Ground) S81*49'29"W (Meas., 1988 Brass Cap, 0.1' High, South of Fence Re-Establishea - 2661.97 THREE RIVERS FEDERAL #34—15—720 LATITUDE = T7S, R20E, S.L.B.&M. ESTABLISHED. (Not Set on Gnd.) LONGTUDE = 109'39'40.57" (109.661269) 1318.01" (Meas. Rebar S8917'56"W LATITUDE = 40'09'39.12" (40.160867) LONGITUDE = 109'39'43.06" (109.661961) NAD 27 (TARGET BOTTOM HOLE) LATITUDE = 40'09'39.26" (40.160906) N87.00.21"W = 4781NAD 83 (TARGET BOTTOM HOLE Ungraded Ground 1988 Brass Cap, 0.3' Below Ground E-W Fence 2631.48' (Meas.) 2678.20' (Meas.) Bottom Hole SECTION CORNERS LOCATED. 1 E/ev. S89.49,34"W PROPOSED WELL HEAD. SECTION CORNERS RE-N87"24"20"W -,099 Spindle 0.1' Below Asphalt = 90° SYMBOL 660, Spindle 737, EGEND Spindle M. 5+,++.00N 2724.09' (Meds.) NOO.29,45,M - SJSS.91, (Weds.) II II II 211,



Bighorn Directional, Inc.

					120000						
Axia Energy)							Page: 1
Three Rivers 34-15-720 Uintah County, Utah	rs 34-15 nty, Uta	5-720 h			Bighorn Direction Incorporate	yed		Slot Locat	Minimum Slot Location: 7232160.50',	imum of (Minimum of Curvature 160.50', 2153641.74'
				-	Denver, Colorado 303-463-1919			<u> </u>	Plane of Vertical Section: 44.81°	cal Sectic	in: 44.81°
Measured Depth Feet [B O R E Inc Degrees	HOLE Direction Degrees	True Vertical Depth Feet	RECTANGULAR COORDINATES North(-South) East(-Wer	GULAR NATES East(-West) Feet	LAMBERT COORDINAT Y X Feet Feet	ERT NATES X Feet	Vertical Section Feet	CLOSURES Distance Direction Feet Deg	J R E S Direction Deg	Dogleg Severity Deg/100'
1200.00	00.00	0.00	1200.00	0.00	0.00	7232160.5	2153641.7	0.00	0.00	0.00	0.00
КОР/ Start Build 1300.00		44.81	1299.98	1.24	1.23	7232161.7	2153643.0	1.75	1.75	44.81	2.00
1400.00	4.00	44.81	1399.84	4.95	4.92	7232165.5	2153646.7	6.98	6.98	44.81	2.00
1500.00	8.00	44.81	1598.70	19.78	19.65	7232180.3	2153661.4	27.88	27.88	44.81	2.00
1700.00	10.00	44.81	1697.47	30.88	30.67	7232191.4	2153672.4	43.52	43.52	44.81	2.00
1777.24	11.54	44.81	1773.34	41.12	40.85	7232201.6	2153682.6	57.96	96'29	44.81	2.00
End Build 2277.24	11.54	44.81	2263.22	112.11	111.37	7232272.6	2153753.1	158.03	158.03	44.81	0.00
2777.24	11.54	44.81	2753.11	183.11	181.90	7232343.6	2153823.6	258.10	258.10	44.81	0.00
3056.79 Top Green River		44.81	3027.00	222.80	221.33	7232383.3	2153863.1	314.04	314.04	44.81	0.00
3277.24	11.54	44.81	3242.99	254.10	252.42	7232414.6	2153894.2	358.16	358.16	44.81	0.00
3386.46 Top Birds Nest	11.54	44.81	3350.00	269.61	267.82	7232430.1	2153909.6	380.02	380.02	44.81	0.00
3777.24	11.54	44.81	3732.88	325.09	322.94	7232485.6	2153964.7	458.23	458.23	44.81	0.00
3837.58	11.54	44.81	3792.00	333.66	331.46	7232494.2	2153973.2	470.31	470.31	44.81	0.00
3995.78	11.54	44.81	3947.00	356.12	353.77	7232516.6	2153995.5	501.97	501.97	44.81	0.00
Temperature 120	0										
4277.24	11.54	44.81	4222.76	396.09	393.47	7232556.6	2154035.2	558.30	558.30	44.81	0.00
4283.26	11.54	44.81	4228.66	396.94	394.32	7232557.4	2154036.1	559.51	559.51	44.81	0.00
Start Drop	9 54	44 81	4326.96	409.92	407.21	7232570.4	2154049.0	577.81	577.81	44.81	2.00
4483.26	7.54	44.81	4425.85	420.46	417.69	7232581.0	2154059.4	592.66	592.66	44.81	2.00
4583.26	5.54	44.81	4525.19	428.55	425.72	7232589.1	2154067.5	604.06	604.06	44.81	2.00
4683.26	3.54	44.81	4624.87	434.17	431.30	7232594.7	2154073.0	611.99	611.99	44.81	2.00

Bighorn Directional, Inc.

	STATE OF UTAH		FORM 9
ι	DEPARTMENT OF NATURAL RESOU DIVISION OF OIL, GAS, AND M		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-85992
SUNDR	Y NOTICES AND REPORTS	S ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	posals to drill new wells, significant reenter plugged wells, or to drill hori n for such proposals.		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: THREE RIVERS FED 34-15-720
2. NAME OF OPERATOR: AXIA ENERGY LLC			9. API NUMBER: 43047529650000
3. ADDRESS OF OPERATOR: 1430 Larimer Ste 400, Der	nver, CO, 80202 720	PHONE NUMBER: 0 746-5200 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0232 FSL 0211 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	<mark>IIP, RANGE, MERIDIAN:</mark> 34 Township: 07.0S Range: 20.0E Me	eridian: S	STATE: UTAH
11. CHECK	K APPROPRIATE BOXES TO INDIC	ATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
Approximate date work will start.	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
,	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:			
3/22/2013	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
DRILLING REPORT	L TUBING REPAIR	☐ VENT OR FLARE	WATER DISPOSAL
Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
	WILDCAT WELL DETERMINATION	OTHER	OTHER:
MIRU Pete Martin D to 100'. Run 100' 16	COMPLETED OPERATIONS. Clearly sho Drilling Rig. Spud well 03-2 S" conductor casing and ce Martin Drilling Rig.	2-13 @ 06:00 hrs. Drilled ment to surface. RD Pete	Accepted by the
NAME (PLEASE PRINT) Cindy Turner	PHONE NUI 720 746-5209	MBER TITLE Project Manager	
SIGNATURE N/A		DATE 3/23/2013	

Sundry Number: 35810 API Well Number: 43047529650000 FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	3	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-85992
SUNDR	RY NOTICES AND REPORTS ON	WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significantly deep reenter plugged wells, or to drill horizontal I n for such proposals.		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: THREE RIVERS FED 34-15-720
2. NAME OF OPERATOR: AXIA ENERGY LLC			9. API NUMBER: 43047529650000
3. ADDRESS OF OPERATOR: 1430 Larimer Ste 400, Der		DNE NUMBER: 5200 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0232 FSL 0211 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: SWSW Section:	HIP, RANGE, MERIDIAN: 34 Township: 07.0S Range: 20.0E Meridian:	S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICATE N	ATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
Axia Energy plans to surface casing TD	CHANGE TO PREVIOUS PLANS CHANGE WELL STATUS DEEPEN OPERATOR CHANGE PRODUCTION START OR RESUME REPERFORATE CURRENT FORMATION TUBING REPAIR WATER SHUTOFF	27-13. We will drill to cement to surface.	
NAME (PLEASE PRINT)	PHONE NUMBER	TITLE	
Cindy Turner SIGNATURE	720 746-5209	Project Manager DATE	
N/A		3/23/2013	

APR 2 0 2013

DIV. OF OIL, GAS & MINING

Sundry Number: 37101 API Well Number: 43047529650000

	STATE OF UTAH		FORM 9
I	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-85992
SUNDR	RY NOTICES AND REPORTS ON	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significantly decreenter plugged wells, or to drill horizontan for such proposals.		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: THREE RIVERS FED 34-15-720
2. NAME OF OPERATOR: AXIA ENERGY LLC			9. API NUMBER: 43047529650000
3. ADDRESS OF OPERATOR: 1430 Larimer Ste 400, Der		HONE NUMBER: -5200 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0232 FSL 0211 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 34 Township: 07.0S Range: 20.0E Meridian	n: S	STATE: UTAH
11. CHECI	K APPROPRIATE BOXES TO INDICATE I	NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
Approximate date work will start:	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
Date of Work Completion.	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT Date of Spud:	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	LI TEMPORARY ABANDON
✓ DRILLING REPORT	L TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
5/1/2013	WILDCAT WELL DETERMINATION	OTHER	OTHER:
MIRU Capstar 321 7,225, TMD and 7, 164 jts 5.5 17# J-59	COMPLETED OPERATIONS. Clearly show all planed. Resumed drilling operations 172' TVD. Reached total depth 5 LTC and set at 7,200'. Cemeg released 04/24/2013 @0600 completion.	04/15/2013. Drilled n on 04/20/2013. Ran ented with 430 sacks,	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY May 01, 2013
NAME (PLEASE PRINT) Cindy Turner	PHONE NUMBER 720 746-5209	TITLE Project Manager	
SIGNATURE		DATE	
N/A		5/1/2013	

Sundry Number: 36807 API Well Number: 43047529650000 FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

	STATE OF UTAH	_	FORM 9
	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MINI	· -	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-85992
SUNDR	RY NOTICES AND REPORTS O	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significantly do reenter plugged wells, or to drill horizont n for such proposals.		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: THREE RIVERS FED 34-15-720
2. NAME OF OPERATOR: AXIA ENERGY LLC			9. API NUMBER: 43047529650000
3. ADDRESS OF OPERATOR: 1430 Larimer Ste 400, Dei		PHONE NUMBER: 16-5200 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0232 FSL 0211 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 34 Township: 07.0S Range: 20.0E Meridi	an: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
APD to drill an 08/08/2012. Axia Er complete the Greei	CHANGE TO PREVIOUS PLANS CHANGE WELL STATUS CHANGE WELL STATUS DEEPEN OPERATOR CHANGE PRODUCTION START OR RESUME REPERFORATE CURRENT FORMATION TUBING REPAIR WATER SHUTOFF WILDCAT WELL DETERMINATION COMPLETED OPERATIONS. Clearly show all and complete a WASATCH well nergy, LLC respectfully requent River formation and then coormations. Attached is inform	was approved on ests your permission to mmingle the Wasatch	CASING REPAIR CHANGE WELL NAME CONVERT WELL TYPE NEW CONSTRUCTION PLUG BACK RECOMPLETE DIFFERENT FORMATION TEMPORARY ABANDON WATER DISPOSAL APD EXTENSION OTHER: Depths, volumes, etc. Accepted by the Utah Division of Oil, Gas and Mining Date: May 13, 2013 By:
NAME (PLEASE PRINT)	PHONE NUMBE	R TITLE	
Cindy Turner SIGNATURE	720 746-5209	Project Manager DATE	
N/A		4/18/2013	

AFFIDAVIT OF LEASE OWNERSHIP

I, Tab McGinley, Affiant, being duly sworn depose and say:

THAT, I am the Vice President of Land for Axia energy, LLC, a Delaware limited liability corporation authorized to do business in Colorado (hereinafter referred to as "Axia"), 1430 Larimer Street, Suite 400, Denver, CO 80202. Axia owns, operates and manages oil and gas interests in the State of Utah including the lands described below located in Uintah County, Utah.

WHEREAS, Axia Energy, LLC is the owner of 100% of the contiguous oil and gas leases in Section 34-T7S-R20E of Uintah County, Utah, per attached Exhibit.

Further Affiant sayeth not.

Subscribed and sworn to before me this 18th day of April, 2013.

Tab McGinley

Vice President, Land

STATE OF COLORADO)

} ss

COUNTY OF DENVER)

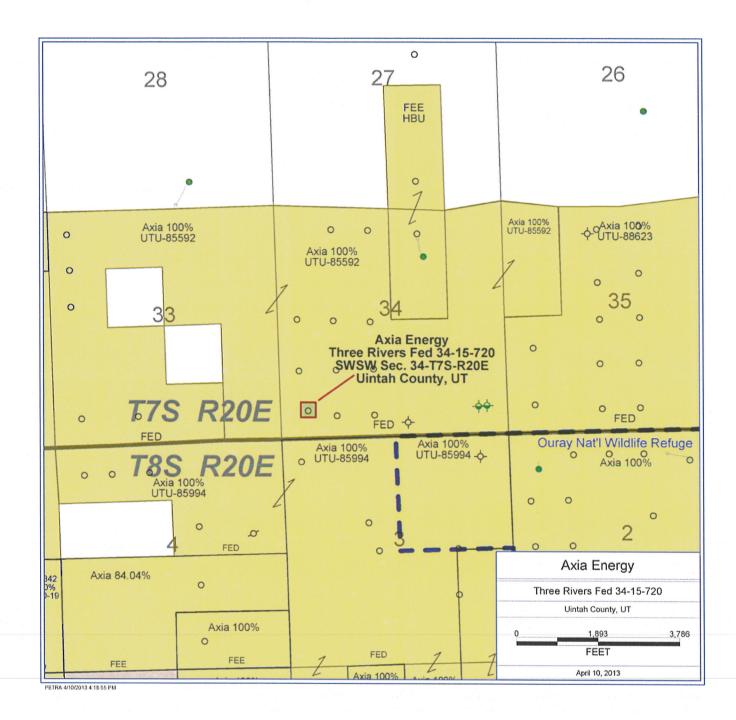
The foregoing instrument was acknowledged before me by Tab McGinley, Vice President of Land, this 18th day of April, 2013.

Notary Public

Notary sea

Cindy J. Turner Notary Public State of Colorado

My Commission Expires 06/04/2013



Attachment to Sundry Notice Form 9

Three Rivers Fed 34-15-720

API: 43047529650000

Notice of intent – commingle Wasatch and Green formations

- 1.1 Exhibit A showing location of the well.
- 1.2 Method of Completion: the pools will be completed from the lower portion of the well (Wasatch) to the upper portion of the well (Green River) in succession. Intervals will be selectively perforated and fracture stimulated starting in the lower portion of the well. A composite bridge plug will be set to isolate the previously perforated/stimulated interval, and additional perforations will be added and fracture stimulated. Perforating/Stimulation will occur in this manner through the Wasatch and Green River formations in 8-10 stages. Once all desired intervals have been perforated, stimulated and isolated, all composite plugs will be drilled out. A tubing string with rod pump will be run to produce Wasatch and Green River oil in a commingled fashion.
- Allocation should never be necessary due to equal mineral ownership in all pools. However, if it ever became necessary, allocation would be based on individual formation production percentages developed during the initial testing of the well.
- Affidavit of Lease Ownership Acknowledgement that Axia Energy, LLC is 100% owner of contiguous oil and gas leases in Section 34-T7S-R20E

	STATE OF UTAH		FORM 9
1	DEPARTMENT OF NATURAL RESOUR DIVISION OF OIL, GAS, AND MI		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-85992
SUNDR	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significantly reenter plugged wells, or to drill horiz n for such proposals.		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: THREE RIVERS FED 34-15-720
2. NAME OF OPERATOR: AXIA ENERGY LLC			9. API NUMBER: 43047529650000
3. ADDRESS OF OPERATOR: 1430 Larimer Ste 400, Der	nver, CO, 80202 720	PHONE NUMBER: 746-5200 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0232 FSL 0211 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 34 Township: 07.0S Range: 20.0E Mer	ridian: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICA	ATE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT	✓ PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
6/26/2013	WILDCAT WELL DETERMINATION	OTHER	OTHER:
		U officer	·
ACTIVITY REPORT	COMPLETED OPERATIONS. Clearly show T: 05/01/13 THRU 06/26/201 FPROD: 05/29/2013 FORM	3 COMP START DATE:	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY June 26, 2013
NAME (PLEASE PRINT) Cindy Turner	PHONE NUM 720 746-5209	BER TITLE Project Manager	
SIGNATURE		DATE	
N/A		6/26/2013	

Sundry Number: 39396 API Well Number: 43047529650000 FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

	STATE OF UTAH		FORM 9			
	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-85992			
SUNDR	RY NOTICES AND REPORTS (ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
	oposals to drill new wells, significantly or reenter plugged wells, or to drill horizor n for such proposals.		7.UNIT or CA AGREEMENT NAME:			
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: THREE RIVERS FED 34-15-720					
2. NAME OF OPERATOR: AXIA ENERGY LLC			9. API NUMBER: 43047529650000			
3. ADDRESS OF OPERATOR: 1430 Larimer Ste 400, Dei	nver, CO, 80202 720 7	PHONE NUMBER: 46-5200 Ext	9. FIELD and POOL or WILDCAT: WILDCAT			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0232 FSL 0211 FWL			COUNTY: UINTAH			
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: SWSW Section:	HIP, RANGE, MERIDIAN: 34 Township: 07.0S Range: 20.0E Merid	lian: S	STATE: UTAH			
11. CHEC	K APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION				
	ACIDIZE	ALTER CASING	CASING REPAIR			
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME			
,	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE			
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION			
5/17/2013	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK			
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION			
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON			
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL			
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION			
	WILDCAT WELL DETERMINATION	OTHER	OTHER:			
42 DESCRIPE PROPOSED OR	COMPLETED OPERATIONS. Clearly show a		Į.			
Axia Energy, LLC Wasatch and the Gr	previously received permiss reen River Formations. However y completed the Green River 6,834' Top of Wasatch: 6,8	ion to commingle the ver, there was a change formation. Bottom Perf:	Accepted by the Utah Division of Oil, Gas and Mining Date: July 03, 2013			
	.,		Date: daily 60; 2016			
			By: Ust Clust			
NAME (PLEASE PRINT)	PHONE NUMBE	ER TITLE				
Cindy Turner	720 746-5209	Project Manager				
SIGNATURE N/A		DATE 6/26/2013				

				RTMEN	TATE (T OF NA F OIL,	TURA	L RESO						(h 5. l	ighlight .EASE DI	D REPOI changes ESIGNATIO 85992	s)	F SERIAL NUM	ORM 8
	LCON	4DLE	TION	00.0	7500	MDI	CTIC	M D	FDOI	OT AND	110		_			E OR TF	IBE NAME	
1a. TYPE OF WELL			-			MPL	1 20 2	א אנ		RT ANI) LO	G	7	INIT or C	A AGREEN	AENT NA	ME	
IB. TIPE OF WELL	••	,	WELL Z	1	GAS WELL	J	DRY	Ш	OTH	IER			- '` '	JINIT OF C	AAGREEN	ICINI INA	WIL	
b. TYPE OF WOR	K: HORIZ. L LATS. L] !	DEEP-]	RE- ENTRY]	DIFF. RESVR.		ОТЬ	IER			8. 1		ME and NU Rivers		34-15-	720
2. NAME OF OPER Axia Ener													10000000	4304	BER: 752965			
3. ADDRESS OF O	PERATOR:		city De	nver		STATE	CO	ZIP 502	202		NUMBER 0) 746	6-5200			D POOL, O		CAT	
4. LOCATION OF W AT SURFACE:	STATE OF THE PERSON NAMED IN	The second livery will be a second livery with the second livery will be a second livery with the second livery will be a second livery with the second livery will be a second livery will be a second livery with the second livery will be a second livery will be a second livery with the second livery will be a second	SL & 2	211' F	WL												20E	
AT TOP PRODU	CING INTER	VAL REPO	ORTED BE	LOW: S	swsw	689'	FSL &	617' F	-WL						04	0,0	202	0
AT TOTAL DEPT	TH: SWS	SW 62	3' FSL	& 639	'FWL									COUNTY JNITA			13. STATE	UTAH
14. DATE SPUDDE 3/22/2013	D:		T.D. REAC 2013	CHED:	16. DATE	0/2013			ABANDON	IED 🗌	READY	O PRODUC	CE 🔽		781' G		3, RT, GL): 798' KE	3
18. TOTAL DEPTH:	MD 7,	725	120 0 2	19. PLUG	BACK T.E	.: MD			20. IF	MULTIPLE CO	OMPLETI	ONS, HOW	MANY?*	21. DE	PTH BRIDG LUG SET:			
22. TYPE ELECTRI			ANICAL LO	GS RUN (Submit cop		. ,			23.					0-0	10		
SD-DSN-ACTR, Mud Log, CBL WAS WELL CORED? WAS DIT RUN? DIRECTIONAL SURVEY?										✓	YES TYES TYES	(Sub	mit analysis mit report) mit copy))				
24. CASING AND L	INER RECO	RD (Repor	t all string	s set in w	rell)													
HOLE SIZE	SIZE/GF	RADE	WEIGHT	Γ (#/f t.)	TOP (MD)	вотто	M (MD)		CEMENTER EPTH		T TYPE & SACKS		IRRY IE (BBL)	CEMEN	T TOP *	AMOUN	IT PULLED
18	16				0 100 G 100							21	-	0				
12-1/4	8-5/8	J-55	24	•	0		_	04			G	640	-	131 0 CI				
7-3/4	8-5/8	J-55	1	/	0		1,2	200			G	430	1	97	1438	3 CBL		
															-			
			<u> </u>												\vdash		+	
25. TUBING RECO	RD									-					.l			
SIZE	DEPTH	SET (MD)	PACH	ER SET (MD)	SIZE		DEPTH	SET (MD) PACKEI	R SET (M	D)	SIZE		DEPTH SET	T (MD)	PACKER	SET (MD)
2-7/8	4,	598																
26. PRODUCING IN				,						27. PERFO								
FORMATION	0.000-0.0000-0.000	+	P (MD)		OM (MD)	TOP	(TVD)	вотто	M (TVD)	INTERVA	4, 4	-	SIZE	NO. HO			RATION ST	
(A) Green Riv	/er	3	,006	6,	842					5,183		6,834	.35	17	_	=	Squeezed	
(B)		-		-											Ope	ᆖ	Squeezed	=
(C)				-											Ope	-	Squeezed	Ħ
(D)															Ope	<u>^ Ц</u>	Squeezed	
28. ACID, FRACTUI	RE, TREATM	IENT, CEN	IENT SQU			_								*****				
WAS WELL F	IYDRAULICA	LLY FRAC	TURED?	YES	∐ мо	Ш	IF YES	DATE F	RACTUR	ED:								
	NTERVAL								AMO	OUNT AND TY	PE OF M	ATERIAL						
5,183' TO 6	,834'		T T			rid Fr	ac - 25	5,460	bbls sl	urry, 1,0	49,49	2 gal flu	3 & biu	378,20	0# 20/	40		
			Pre	mium	White											-	*	
20 ENCLOSED AT	TACUMENTS	2.	1						_							20 14/51	LOTATUR	
29. ENCLOSED AT	RICAL/MECH		.ogs				\Box	GEOLOGI	IC REPOR	τ 🗀 ι	DST REP	DRT	DIREC	TIONAL	SURVEY	ou. WEL	L STATUS	_
	RY NOTICE F			CEMENT	VERIFICA	TION		CORE AN		=	OTHER:						Prod	
(E/2012)							100	NTINI	ED ON I	SVCK)								

31. INITIAL PRO	DUCTION				INT	ERVAL A (As sho	wn in item #26\					
DATE FIRST PR 5/29/2013	ODUCED:	TEST DA			HOURS TESTED		TEST PRODUCTIO RATES: →	N OIL - BBL:	GAS - MCF: 178	WATER 85		PROD. METHOD: Pump
CHOKE SIZE:	TBG. PRESS.	csg. pr 45		RAVITY	BTU - GAS	GAS/OIL RATIO 5,086	24 HR PRODUCTIO RATES: →	ON OIL - BBL:	GAS - MCF: 178	WATER 8		INTERVAL STATUS:
					INT	ERVAL B (As sho	wn in item #26)	100				•
DATE FIRST PR	DATE FIRST PRODUCED: TEST DATE:			HOURS TESTED):	TEST PRODUCTIO RATES: →	ON OIL - BBL: GAS - MCF:		WATER - BBL:		PROD. METHOD:	
CHOKE SIZE:	TBG. PRESS.	CSG. PR	ESS. API GF	RAVITY	BTU GAS	GAS/OIL RATIO	24 HR PRODUCTIO RATES: →	ON OIL - BBL:	GAS - MCF:	WATER	– BBL:	INTERVAL STATUS
	1				INT	ERVAL C (As shor	wn in item #26)		-			<u> </u>
DATE FIRST PR	ODUCED:	TEST DA	TEST DATE:		HOURS TESTED	HOURS TESTED:		N OIL – BBL:	BBL: GAS - MCF: WA		- BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PR	ESS. API GF	RAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTIO RATES: →	ON OIL - BBL:	GAS - MCF:	WATER	- BBL:	INTERVAL STATUS:
					INT	ERVAL D (As show	wn in item #26)		1	-		<u> </u>
DATE FIRST PR	ODUCED:	TEST DA	TE:		HOURS TESTED):	TEST PRODUCTION RATES: →	N OIL - BBL:	GAS - MCF:	WATER -	– BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PR	ESS. API GF	RAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTIO RATES: →	OIL - BBL:	GAS - MCF:	WATER	- BBL:	INTERVAL STATUS:
32. DISPOSITIO	N OF GAS (Sol	d, Used for F	uel, Vented, Et	c.)	1			1				
33. SUMMARY	OF POROUS ZO	ONES (Includ	e Aquifers):		39.		T I	34. FORMATION	(Log) MARKERS:			-
Show all importar cushion used, tim	nt zones of poro ne tool open, flov	sity and conte wing and shut-	ents thereof: Core in pressures an	ed interva d recoveri	ls and all drill-stem es.	tests, including de	oth interval tested,					
Formatio	n	Top (MD)	Bottom (MD)		Descript	ions, Contents, etc		Name			(1	Top Measured Depth)
								Green Rive	er .			3.006
								Garden Gu	ılch			5.005
								Uteland Bu	utte			6,693
								Wasatch				6,842

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I nereby certify that the foregoing and attached information is complete and corr	ect as determined from all available records.	
NAME (PLEASE PRINT) Cindy Turner	TITLE Project Manager	
SIGNATURE MAY MAN	DATE 8-13-13	

This report must be submitted within 30 days of

- completing or plugging a new well
- · drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Utah Division of Oil, Gas and Mining Send to:

1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

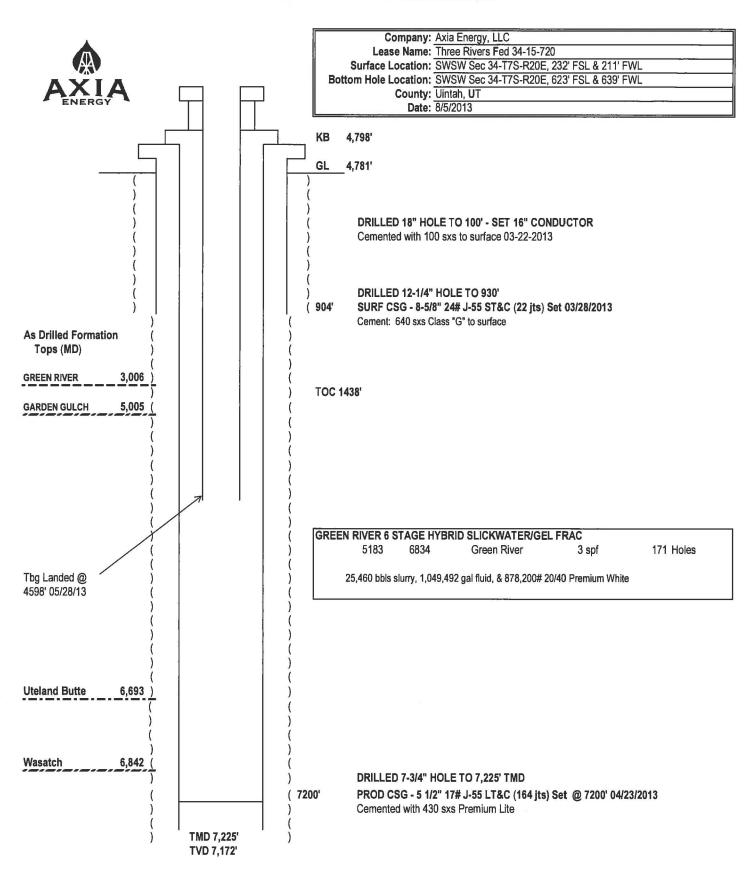
Phone: 801-538-5340

801-359-3940 Fax:

(5/2013)

^{*} ITEM 20: Show the number of completions if production is measured separately from two or more formations.

WELLBORE DIAGRAM (after completion)



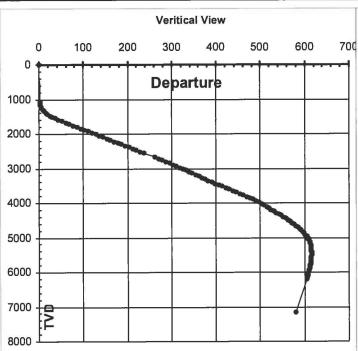


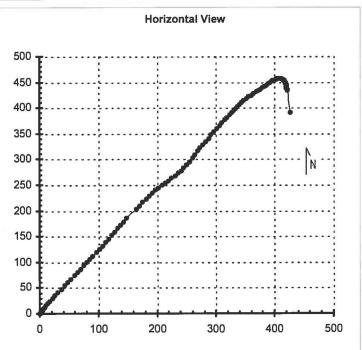
Axia Energy, LLC

1430 Larimer St, #400 Denver, CO 80202 (720) 746-5200

Drilling Survey Report

Well Name:Three Rivers Fed 34-15-720									
Field Name:	Wildcat	S/T/R:	34/07S/20E	County,State:	Uinta, UT				
Operator:	Axia Energy, LLC	Location Desc:		District:	Utah				





Sur No	Date	Tie In	Meas Dep	Inclination	Azimuth	Desired Az	TVD	Vert Sect	N/S(+/-)	E/W(+/-)	DLS
1	4/15/2013		0	0.00	0.00	44.81	0.00	0.00	0.00	0.00	0.00
2	4/15/2013	H	1081	0.20	62.60	44.81	1081.00	1.80	0.87	1.68	0.02
3	4/15/2013		1124	0.40	31.10	44.81	1124.00	2.01	1.03	1.82	0.59
4	4/15/2013		1167	1.00	10.90	44.81	1166.99	2.47	1.53	1.97	1.49
5	4/15/2013		1210	2.20	24.60	44.81	1209.98	3.56	2.65	2.38	2.91
6	4/15/2013	-	1252	2.90	31.30	44.81	1251.94	5.35	4.29	3.27	1.81
7	4/15/2013		1295	4.00	31.90	44.81	1294.86	7.87	6.49	4.63	2.56
8	4/15/2013		1338	4.30	30.90	44.81	1337.75	10.89	9.15	6.25	0.72
9	4/15/2013		1381	5.50	36.50	44.81	1380.59	14.50	12.19	8.30	3.00
10	4/15/2013		1423	6.40	39.60	44.81	1422.36	18.82	15.61	10.99	2.27
11	4/15/2013		1466	6.90	39.40	44.81	1465.07	23.78	19.45	14.16	1.16
12	4/15/2013		1509	8.30	37.40	44.81	1507.70	29.43	23.91	17.68	3.31
13	4/15/2013		1551	9.40	36.80	44.81	1549.20	35.83	29.07	21.58	2.63
14	4/15/2013		1594	10.50	37.70	44.81	1591.55	43.19	34.98	26.08	2.58
15	4/16/2013		1637	11.30	39.90	44.81	1633.77	51.28	41.31	31.18	2.10
16	4/16/2013		1680	11.30	40.50	44.81	1675.94	59.68	47.75	36.61	0.27
17	4/16/2013		1722	11.50	41.00	44.81	1717.11	67.96	54.04	42.03	0.53
18	4/16/2013		1765	11.50	40.80	44.81	1759.25	76.51	60.51	47.65	0.09
19	4/16/2013		1808	11.50	40.30	44.81	1801.38	85.06	67.03	53.22	0.23
20	4/16/2013		1850	11.60	40.80	44.81	1842.53	93.45	73.42	58.69	0.34
21	4/16/2013		1893	11.40	39.10	44.81	1884.67	101.99	79.99	64.19	0.92
22	4/16/2013		1936	11.30	39.60	44.81	1926.83	110.41	86.53	69.56	0.33
23	4/16/2013		1978	11.20	40.00	44.81	1968.02	118.57	92.83	74.80	0.30
24	4/16/2013		2021	11.40	39.70	44.81	2010.19	126.97	99.30	80.20	0.48

Page 1 of 3

Powered by Production Access

8/15/2013



Axia Energy, LLC

1430 Larimer St, #400 Denver, CO 80202 (720) 746-5200

Drilling Survey Report

25	4/16/2013		2064	11.30	39.60	44.81	2052.35	135.40	105.81	85.60	0.24
26	4/16/2013	n	2106	11.30	39.20	44.81	2093.53	143.59	112.17	90.82	0.19
27	4/16/2013		2149	11.30	39.20	44.81	2135.70	151.97	118.70	96.15	0.00
28	4/16/2013		2192	11.10	37.90	44.81	2177.88	160.28	125.23	101.36	0.75
29	4/16/2013	$\overline{}$	2234	11.30	38.40	44.81	2219.08	168.38	131.65	106.39	0.53
30	4/16/2013	\exists	2277	11.30	37.50	44.81	2261.25	176.74	138.29	111.58	0.41
31	4/16/2013	-	2320	11.30	38.20	44.81	2303.41	185.11	144.94	116.75	0.32
32	4/16/2013		2363	11.30	37.50	44.81	2345.58	193.47	151.60	121.92	0.32
33	4/16/2013		2405	11.40	36.30	44.81	2386.76	201.66	158.21	126.88	0.61
34	4/16/2013	- - - -	2448	11.50	37.20	44.81	2428.90	210.11	165.05	131.99	0.48
35	4/16/2013	井	2491	11.70	37.50	44.81	2471.02	218.68	171.92	137.23	0.49
36	-		2533	11.50	41.40	44.81	2512.17	227.09	178.44	142.59	1.93
	4/16/2013						2554.32	235.57	184.79	148.23	0.50
37	4/16/2013		2576	11.30	41.80	44.81	2679.84		203.43	165.02	0.06
38	4/16/2013		2704	11.30	42.20	44.81		260.62			
39	4/16/2013		2747	11.20	41.30	44.81	2722.01	269.00	209.69	170.60	0.47
40	4/16/2013		2789	11.20	39.80	44.81	2763.21	277.13	215.89	175.91	0.69
41	4/16/2013		2832	11.10	39.30	44.81	2805.40	285.41	222.30	181.20	0.32
42	4/16/2013		2875	11.00	40.10	44.81	2847.60	293.62	228.64	186.47	0.43
43	4/16/2013		2917	10.50	45.40	44.81	2888.87	301.44	234.39	191.77	2.64
44	4/16/2013		2960	10.10	48.70	44.81	2931.17	309.12	239.63	197.39	1.66
45	4/16/2013		3003	9.80	49.00	44.81	2973.53	316.53	244.52	202.99	0.71
46	4/16/2013		3045	9.80	48.90	44.81	3014.91	323.66	249.22	208.38	0.04
47	4/16/2013		3088	9.90	49.50	44.81	3057.28	331.00	254.02	213.95	0.33
48	4/16/2013		3131	9.80	52.10	44.81	3099.65	338.31	258.67	219.65	1.06
49	4/16/2013		3173	9.60	50.20	44.81	3141.04	345.34	263.11	225.16	0.90
50	4/16/2013		3216	9.80	48.00	44.81	3183.43	352.57	267.85	230.63	0.98
51	4/16/2013		3258	9.60	46.90	44.81	3224.83	359.64	272.64	235.84	0.65
52	4/16/2013		3301	9.80	39.30	44.81	3267.21	366.86	277.92	240.78	3.01
53	4/16/2013		3344	9.80	39.90	44.81	3309.59	374.15	283.56	245.45	0.24
54	4/16/2013		3387	10.20	38.90	44.81	3351.93	381.58	289.33	250.18	1.01
55	4/17/2013		3429	10.80	35.80	44.81	3393.23	389.17	295.42	254.82	1.96
56	4/17/2013		3472	11.10	34.00	44.81	3435.45	397.21	302.11	259.49	1.06
57	4/17/2013		3515	10.80	33.70	44.81	3477.66	405.23	308.90	264.04	0.71
58	4/17/2013		3558	10.60	34.50	44.81	3519.92	413.08	315.51	268.52	0.58
59	4/17/2013		3600	10.50	35.50	44.81	3561.21	420.65	321.81	272.93	0.50
60	4/17/2013		3643	10.60	36.90	44.81	3603.48	428.44	328.16	277.58	0.64
61	4/17/2013		3686	10.60	36.30	44.81	3645.75	436.27	334.51	282.29	0.26
62	4/17/2013		3728	10.30	37.30	44.81	3687.05	443.81	340.61	286.86	0.83
63	4/17/2013	ī	3771	10.30	36.60	44.81	3729.36	451.43	346.76	291.48	0.29
64	4/17/2013	$\overline{\Box}$	3814	10.50	36.80	44.81	3771.65	459.11	352.98	296.12	0.47
65	4/17/2013		3856	11.20	37.30	44.81	3812.90	466.94	359.29	300.88	1.68
66	4/17/2013		3899	10.50	36.50	44.81	3855.13	474.96	365.76	305.74	1.67
67	4/17/2013		3942	9.10	34.90	44.81	3897.50	482.19	371.70	310.02	3.32
68	4/17/2013		3984	8.50	41.40	44.81	3939.01	488.56	376.75	313.97	2.76
69	4/17/2013		4027	8.20	43.00	44.81	3981.55	494.80	381.38	318.16	0.88
70	4/17/2013		4070	8.40	45.60	44.81	4024.10	501.00	385.82	322.50	0.99
71	4/17/2013	౼	4112	7.80	43.30	44.81	4065.68	506.92	390.04	326.65	1.62
72	4/17/2013		4155	7.20	40.00	44.81	4108.32	512.52	394.23	330.38	1.72
73	4/17/2013		4198	6.80	37.30	44.81	4151.00	517.73	398.31	333.65	1.20
74	4/17/2013		4241	7.00	39.60	44.81	4193.68	522.86	402.36	336.87	0.79
75	4/17/2013		4282	6.90	37.70	44.81	4234.38	527.79	406.23	339.97	0.73
76			4326	7.80	43.30	44.81	4278.02	533.40	410.50	343.63	2.61
/0	4/17/2013		4320	1.00	40.00	44.01	4210.02	J JJJ.40	710.00	J 373.03	2.01

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Axia Energy, LLC

1430 Larimer St, #400 Denver, CO 80202 (720) 746-5200

Drilling Survey Report

77	4/17/2013		4369	7.80	46.60	44.81	4320.62	539.23	414.62	347.75	1.04
78	4/17/2013	-H	4411	7.50	51.80	44.81	4362.25	544.80	418.28	351.98	1.80
79	4/17/2013	\dashv	4454	6.90	53.80	44.81	4404.91	550.14	421.54	356.27	1.51
80	4/17/2013	\dashv	4497	7.20	51.90	44.81	4447.59	555.37	424.73	360.47	0.88
81	4/17/2013		4539	6.80	52.50	44.81	4489.27	560.44	427.86	364.51	0.97
82	4/17/2013		4582	6.50	54.70	44.81	4531.98	565.36	430.82	368.52	0.92
83	4/17/2013	\dashv	4625	6.20	57.00	44.81	4574.72	570.03	433.49	372.45	0.91
84	4/18/2013		4667	5.90	54.00	44.81	4616.49	574.38	436.00	376.10	1.04
85	4/18/2013	\dashv	4710	6.10	49.70	44.81	4659.25	578.84	438.77	379.63	1.14
86	4/18/2013	\dashv	4753	5.70	49.30	44.81	4702.02	583.24	441.64	382.99	0.94
87	4/18/2013	H	4795	5.40	52.20	44.81	4743.83	587.28	444.21	386.14	0.98
88	4/18/2013	H	4838	4.90	53.00	44.81	4786.65	591.10	446.56	389.20	1.17
89	4/18/2013	H	4881	4.50	54.90	44.81	4829.51	594.58	448.63	392.05	1.00
90	4/18/2013	H	4924	4.10	53.60	44.81	4872.39	597.76	450.52	394.67	0.96
91	4/18/2013		4966	3.70	54.90	44.81	4914.29	600.58	452.19	396.98	0.98
92	4/18/2013	H	5009	3.20	61.50	44.81	4957.21	603.10	453.56	399.17	1.48
93	4/18/2013	H	5052	2.80	58.80	44.81	5000.15	605.26	454.67	401.13	0.99
94	4/18/2013		5095	2.70	64.40	44.81	5043.10	607.24	455.66	402.94	0.67
95	4/18/2013		5137	2.10	70.60	44.81	5085.07	608.86	456.34	404.56	1.55
96	4/18/2013		5180	1.80	74.30	44.81	5128.04	610.16	456.78	405.95	0.76
97	4/18/2013		5223	1.90	78.60	44.81	5171.02	611.34	457.11	407.30	0.40
98	4/18/2013		5266	1.80	89.30	44.81	5214.00	612.41	457.26	408.67	0.83
99	4/18/2013		5308	1.60	101.10	44.81	5255.98	613.21	457.15	409.91	0.96
100	4/18/2013		5351	1.30	107.70	44.81	5298.96	613.77	456.89	410.96	0.80
101	4/18/2013		5394	1.40	118.30	44.81	5341.95	614.14	456.49	411.89	0.62
102	4/18/2013		5436	1.40	112.10	44.81	5383.94	614.48	456.05	412.82	0.36
103	4/18/2013		5479	1.10	129.60	44.81	5426.93	614.72	455.59	413.62	1.12
104	4/18/2013		5522	1.10	121.90	44.81	5469.92	614.85	455.11	414.29	0.34
105	4/18/2013		5565	1.40	140.60	44.81	5512.91	614.89	454.49	414.97	1.17
106	4/19/2013		5607	1.10	145.90	44.81	5554.90	614.76	453.76	415.52	0.76
107	4/19/2013		5650	1.60	147.80	44.81	5597.89	614.55	452.91	416.08	1.17
108	4/19/2013		5692	1.50	159.70	44.81	5639.87	614.18	451.90	416.58	0.80
109	4/19/2013		5735	1.70	150.00	44.81	5682.86	613.78	450.82	417.09	0.78
110	4/19/2013		5778	1.70	150.60	44.81	5725.84	613.44	449.71	417.73	0.04
111	4/19/2013		5820	1.40	153.60	44.81	5767.82	613.10	448.71	418.26	0.74
112	4/19/2013		5863	1.80	166.80	44.81	5810.81	612.58	447.58	418.65	1.26
113	4/19/2013		5906	1.80	157.50	44.81	5853.78	611.96	446.30	419.06	0.68
114	4/19/2013		5949	2.10	166.10	44.81	5896.76	611.29	444.91	419.51	0.97
115	4/19/2013		5991	2.20	168.40	44.81	5938.73	610.44	443.37	419.85	0.31
116	4/19/2013		6034	2.20	175.00	44.81	5981.70	609.45	441.74	420.09	0.59
117	4/19/2013		6077	2.20	173.10	44.81	6024.67	608.41	440.10	420.26	0.17
118	4/19/2013		6120	2.10	168.40	44.81	6067.64	607.46	438.51	420.52	0.47
119	4/19/2013		6162	2.20	169.00	44.81	6109.61	606.58	436.96	420.83	0.24
120	4/19/2013		6205	2.50	178.50	44.81	6152.57	605.47	435.21	421.01	1.14
121	4/19/2013		6248	2.50	171.40	44.81	6195.53	604.27	433.35	421.18	0.72
122	4/21/2013		7225	2.50	171.40	44.81	7171.60	578.86	391.21	427.55	0.00

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8/15/2013

Sundry Number: 42506 API Well Number: 43047529650000 FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

	STATE OF UTAH	FORM 9			
	DEPARTMENT OF NATURAL RESOUR DIVISION OF OIL, GAS, AND MI		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-85992		
SUNDR	Y NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
	posals to drill new wells, significantly reenter plugged wells, or to drill horiz n for such proposals.		7.UNIT or CA AGREEMENT NAME:		
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: THREE RIVERS FED 34-15-720				
2. NAME OF OPERATOR: AXIA ENERGY LLC			9. API NUMBER: 43047529650000		
3. ADDRESS OF OPERATOR: 1430 Larimer Ste 400, Dei	nver, CO, 80202 720	PHONE NUMBER: 746-5200 Ext	9. FIELD and POOL or WILDCAT: WILDCAT		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0232 FSL 0211 FWL			COUNTY: UINTAH		
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 34 Township: 07.0S Range: 20.0E Mer	ridian: S	STATE: UTAH		
11. CHEC	K APPROPRIATE BOXES TO INDICA	ATE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
,	ACIDIZE	ALTER CASING	CASING REPAIR		
Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME		
10/1/2013	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE		
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION		
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK		
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION		
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON		
	TUBING REPAIR	☐ VENT OR FLARE	WATER DISPOSAL		
DRILLING REPORT	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION		
Report Date:	WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Central Tank Facility		
12. DESCRIBE PROPOSED OR	COMPLETED OPERATIONS. Clearly show	v all pertinent details including dates, o	depths, volumes, etc.		
l .	IK FACILITY: Three Rivers C		Accepted by the		
See Atta	ched for Proposal and Alloc	cation Diagram	Utah Division of Oil, Gas and Mining		
			Date: October 08, 2013		
			By: Dark Dunt		
NAME (PLEASE PRINT)	PHONE NUM	BER TITLE			
Cindy Turner	720 746-5209	Project Manager			
SIGNATURE N/A		DATE 9/11/2013			

AXIA THREE RIVERS CENTRAL TANK FACILITY

Axia Energy, LLC submits the following documentation as follow-up to verbal and email approval to commingle certain wells with common interests per attached diagram.

Allocation Proposal:

Each well that comes on will be set-up and plumbed individually with (2) 500 bbl oil tanks and (1) 500 bbl water tank for each producing well.

When production on a well basis exceeds current individual well storage, production would be gauged and an internal run ticket would be generated. The oil would then be shipped to the centralized tank facilities per attached allocation diagram.

Oil Sales from Centralized Storage Facility would be allocated back to the applicable well on a first infirst out basis and quantity would be based on the run ticket generated when the oil is sold to oil purchaser.

Proposed centralized storage facilities are set up by State or Federal lease number, or in the case of Fee wells, by common interest.

Reporting Requirements:

- When oil is transferred to the central tank battery from a well location, the volume will appear on Form 11 (Monthly Disposition Report) as transported volume for the applicable entity location.
- A Form 12 (Transfer of Oil) for the volume going to the CTB will be prepared with any applicable internal run tickets attached.

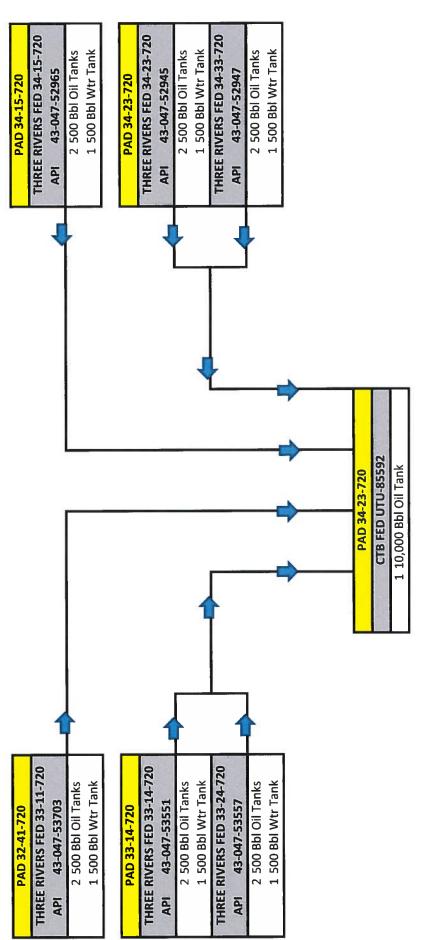
EFFECTIVE DATE: October 1, 2013

NAME: THREE RIVERS CTB LEASE FED UTU-85592

THREE RIVERS FEDERAL WELLS IN SEC 32, 33 and 34 OF TWNSHP 7S-RNG 20E THAT CAN FLOW TO CENTRAL TANK BATTERY **DESC:**

BASED ON COMMON INTEREST/LEASE NO

LEASE: FED LEASE UTU-85592



When well tanks get full and we are unable to sell, we would move the oil to the central facility for storage/sales using an internal run ticket.
Sales from the Central Tank Battery would be allocated back to the wells on a first in - first out basis.